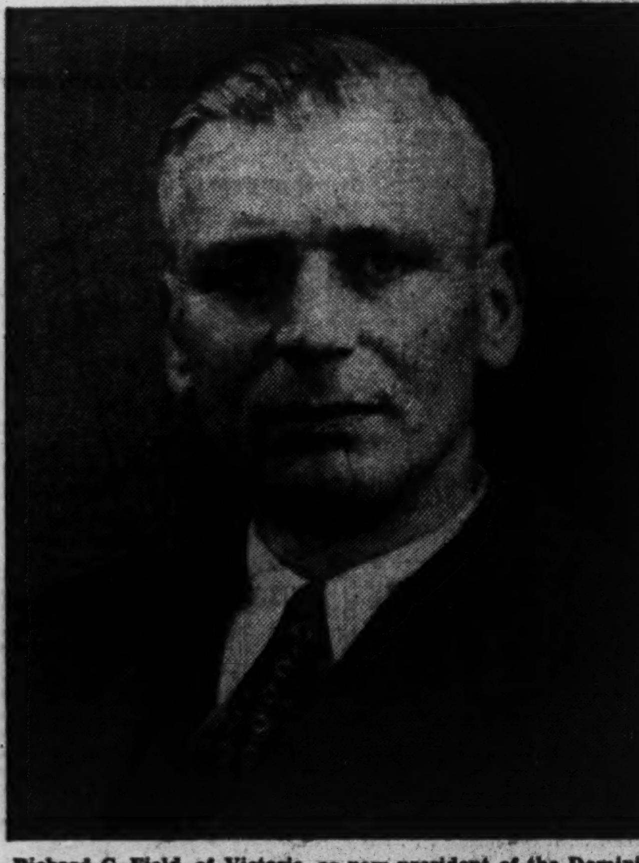
The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XL Ten Cents an Issue, Five Dollars a Year Publication Office: Toronto, September 21, 1946 Member of Audit Bureau of Circulations No. 38

Accountants' President



Richard C. Field, of Victoria, as new president of the Dominion Association of Chartered Accountants, assumes national leadership of nearly 3,000 registered professional accountants in that 44-year-old federation of provincial institutes. He takes office as Canadian business—a field first in interest for the accountant—strains at postwar shackles of unequal taxation, price confusion, supply bottlenecks and labor unrest. Born in Brighton, Eng., 57 years ago, Mr. Field got his early schooling at Edmonton, articled as a law student in Victoria in 1919 but switched to accountancy in 1919 on return from service in France with Canadian Field Artillery; opened his present office in Victoria in 1931. He is an enthusiastic, capable golfer.

THE NATION'S BUSINESS

Realism Demands Wage Law Change

Disclosure of the "official" terms which the Government offered striking steelworkers makes it quite clear that changes in the Wartime Wages Control are overdue.

In effect, the Government proposed an over-all increase of close to 12½ cents for highest paid workers and close to 15 cents for lowest paid. True, the pretence of a basic 10-cent boost is maintained in the offer, but "extras" for holidays and other considerations make the effective rate much higher.

Since few if any settlements will now be possible at less than this figure, the wise course would be to free, at once, for collective bargaining, all wage settlements up to this amount.

Regional war labor boards are overwhelmed with applications for wage adjustments. In some areas at least employers are having to wait months to get decisions. This delay is inflaming the whole labor situation. Sheer red tape is causing quite unnecessary hardship and bitterness, and reducing worker efficiency. Where the situations burst into flame, settlements are often higher than those which, granted in time, would have been satisfactory to all parties and less weakening to our dikes against inflation.

A great deal of trouble would be ended and much serious trouble averted if the wage order were immediately amended to provide for a free bargaining area.

Salaried Group Deserves Relief

Some relief for the white collar salaried families is very clearly called for.

They have taken a terrific squeeze from the rising prices and high taxation and as a group they have had virtually no relief.

Wage earner income has swelled substantially. People who have their own businesses—doctors, lawyers, farmers, storekeepers, manufacturers and so on—all of them, one way and another, have been able to maintain or increase their real earnings.

But not the salaried group. It alone has been told to take the squeeze and like it.

This situation is grossly unfair. The Government can't justify using elastic to hold back wage increases and using stone walls to hold back salary increases.

Both wage and salary orders need amendment to bring them somewhere near present realities. Both jobs should be done and at once.

Soviet Evangelists Busy Here

Recent articles in The Financial Post have pointed out that Canada is inevitably going to be the target of a vigorous Russian effort to soften us up ideologically as part of the Kremlin's offensive against the democracies.

Interesting additional confirmation comes in the current "evangelistic campaign" being staged by a "cultural" delegation of visiting Russian editors and stage artists, under the sponsorship of the Ukrainian Society for Cultural Ties Abroad, an official Soviet organization.

Mass meetings, diligently managed by local Russophiles, greet the delegation wherever it goes. A festival in their honor at Edmonton drew 15,000.

Ukrainians and Russians comprise Canada's third largest racial group, after British and French. Most of them live in tightly knit community clusters. The cultural delegation is understood to be appearing in every city and town across Canada where a Slavic cluster exists.

We saw this delegation arrive at Toronto's Union Station, watched the fervent crowd of several hundred who had gone there early in the morning to bid the visitors welcome, listened to impassioned speeches in the station waiting room, saw the clenched fist Communist salutes that were popping all over the place. We wondered what would have happened if Canada tried sending a "cultural" delegation to Russia.

Scope and Vigor Hard to Credit

Canadians will find it difficult to credit the scope and force of the Russian drive. But it seems inevitable that we are going to get more rather than less of this ideological attack.

Here is how Newsweek magazine reported recent events:

"U. S. officials in the best position to judge fear they have confirmation that the Soviet government has made up its mind that capitalism must be destroyed if Communism is to live. They have just completed a detailed study of the facts and background of the spreading purges within Russia. Their findings:

"Soviet policy now is in the hands of—or at least the top policy decision has been made in favor of—those who take the line that (1) internationally Communism and capitalism cannot exist in the same world and (2) internally those who deviate even slightly from this official ideology must be eliminated. This tightening and hardening pattern was reflected in Litvinoff's dismissal. It also was clearly evident in the purges of Leningrad intellectuals and Ukrainian party members, and soon will be noted in a housecleaning within the Red Air Force."

The much experienced and very responsible U. S. editor, David Lawrence, calls for immediate remobilization.

> "We must not be compelled to live in constant terror of any nation on earth. Nothing less than the safety of our people is at stake, nothing less than the lives of the young men of tomorrow. When Hitler marched into the Rhineland in 1936, he could have been stopped easily and World War II would have been averted . . .

We doubt if Lawrence is going to get the remobilization he calls for. We find it hateful and shocking even to have to wonder whether or not we agree with him as to its desirability.

This nightmarish thing reminds us of that shot in a current March of Time film in which Harvard's famous scientist Earnest A. Hooten finishes a class lecture with the words: "Mechanized and moronic man moves toward extinction. Any questions?"

Price Controls Costing Canada $900 Millions

By KENNETH R. WILSON

OTTAWA—WPTB officials have now put themselves out on a limb as to how they expect to spend the $90 millions which they say is needed to keep the cost-of-living pegged in 1946-47. If they are right about needing $90 millions it will mean that WPTB bills for holding down the ceiling from 1941 to Mar. 31, 1947, will be roughly $440 millions.

When you add to this figure the amounts spent or planned to be spent to give us cheap bread ($80 millions) plus subsidies paid out by the Department of Agriculture to bonus grain, dairy and hog production (375 millions) the over-all total will be just short of $900 millions.

The lowdown on how this year's WPTB subsidy money will be spent was spilled quietly into the pages of Hansard just before the House prorogued. A bit of needling by opposition members when the Finance estimates were before the House produced the information. But it did not disclose that the original WPTB estimate for $90 millions of subsidy money in 1946-47 was made up many, many months ago.

Subsidy List Soars

When the estimates came before Parliament last week the over-all figure was just the same, but the detail within the main total had changed completely. Thus the costly 2-cent per quart consumer milk subsidy had been dropped. So had the high cost of paying a 10% premium on subsidized items brought in from the U. S. On the other hand, cost items eligible for subsidy had

(Continued on page 2, col. 3)

British Cars Are in Demand Snapped Up at Docks Here

MONTREAL (Staff)—Whether it is impatience over non-appearance of Canadian-made cars or a preference for the British product, dealers here say British cars are being snapped up as fast as they are unloaded at the docks. Austin, Hillman, Singer and Rolls Royce are a few of the makes which are currently getting a run by Canadians.

Last week 26 Austins arrived here but were all sold before they landed. A 4-passenger, 10 h.p. Hillman is currently being displayed here and the Canadian dealer states he is flooded with enquiries. The Singer dealer has the same story. Not quite so heavy are orders for the $15,000 Rolls Royce saloon.

So far Austin has sold about 86 cars this year; Singer about 12, and Hillman has only received two models from England. Both Austin and Singer, however, expect ever-increasing shipments for the balance of the year and Hillman says customers placing orders now are quoted end-of-year delivery.

Prices of English cars, however, look pretty high to Canadians particularly since they are really four-passenger jobs. Austin has an 8 h.p. 4-passenger at $1,445; 10 h.p.—$1,745; 12 h.p.—$2,345 and 16 h.p. at $2,545. Although Singer's prices have not yet been definitely set by WPTB the 9-h.p. car is expected to sell for $1,800 or $1,900 and the 10 h.p. for $2,175. Hillman's 10 h.p. 4-passenger sells for $1,695.

Stealing a march on both English and Canadian competitors, however, is Austin, with a built-in heater, defroster and car-jack. On Austin's cheaper cars the jack is operated mechanically but on the 16 h.p. model it is equipped with hydraulic mechanism. Austin dealers say the jack can be operated on front or back wheels, individually or together.

Greek Interests Behind New Shipping Firms

MONTREAL (Staff)—Recent announcement of the formation of new Canadian steamship companies spotlights this country's increasingly important position in shipping circles. One of the more recent is Triton Steamship Co., which has already taken possession of five Park steamships and expects to get a sixth vessel in January.

Shippers are watching with interest the heavy influx of Greek shippers into Canada. Triton is only one of several newly formed companies backed by Greek interests. Others include Argonaut Navigation Co., Arcadia Overseas Freighters, Andros Shipping Co., Northern Star Steamship Co. It is understood also that the Papachristidis Co. is preparing to expand its shipping operations.

Greek shippers here say that the general pattern of their companies has followed closely the history of Triton steamships. This company, headed by B. J. Goulandris, president; A. E. March, vice-president; T. H. Parigoris, secretary-treasurer and J. B. Goulandris, assistant secretary, was formed in Canada as a result of Canadian Government stipulation governing sale of Park ships. During the war about 75% of Greek shipping was sunk and Canada's Park ships were among the first offered for sale after the war.

These Park ships are said particularly suitable for Triton and the others, since Greeks traditionally operate tramp steamers. Unlike many of the big British lines which operate over certain routes, the Greek vessels pick up cargo where they can, at ports all over the world. So far Triton's biggest business has been west-east cargoes from Montreal to Europe and it hopes to get a share of the anticipated bumper grain business this year.

While Greek tramp steamers have no strictly "home port," head office of all the companies will be located in Canada. This means that to some extent Canadian ports such as Montreal, Halifax and Saint John have taken the place of London's Baltic exchange. Before the war, practically all Greek steamship

(Continued on page 2, col. 2)

'Doldrums' Seen In Steel Strike

OTTAWA (Staff) — With Hon. Humphrey Mitchell, Dr. Arthur MacNamara and other key labor officers away at the International Labor Organization Meeting at Montreal this week, the crisis in steel seems to have passed by this capital.

As was forecast when the Government made its "final" offer to the strikers a week or more ago, the Government seems to have washed its hands of the affair; seems to have argued it has gone as far as it can go in getting a settlement.

What is feared here now is that failure of the Government to give a final "shove" may land the strike back in the doldrums for another protracted period—possibly until after the important labor conventions due to be held within the next two weeks. The Trades and Labor Congress opened a 10-day meeting at Windsor on Sept. 18. The Canadian Congress of Labor meets in Toronto Sept. 23-27. Both these meetings are conceded to be vital in respect of union leadership and personnel; both are a testing ground of left and right wing strength. For this reason, the status of the steel and other industrial strikes, especially failure to reach a settlement at anything close to what has been demanded by individual unions, may have an important bearing on voting and union election results.

Expect Wider List Of Token Imports

OTTAWA (Staff)—There are hopes—and they are still only hopes—that Britain may announce a new extension to her import control policy, at or about the time that Hugh Dalton, Chancellor of the Exchequer, reaches Canada this week-end.

When Lord Addison was here last week, the British High Commissioner Sir Alexander Clutterbuck, stated that a second list of items on which Canadian manufacturers might send "token" shipments to Britain was under discussion; and indicated that it would be announced shortly. It is understood to contain a considerable number of items of wide interest to Canadian firms. On any such items, Canadian manufacturers who had "traditional" or pre-war export markets in Britain would be eligible to ship up to 20% of pre-war volume.

Dr. Dalton arrives in Canada this week and is slated to hold a press conference at Ottawa on Sept. 23.

Wider Exports To India Seen

OTTAWA (Staff)—Canada's new trade, economic and fiscal relationship with an independent India will be known more clearly when Commonwealth and other nations gather for the preliminary ITO meeting at London next month.

So far, there has been little indication here as to how far Canada's economic relationships will change as India's political independence is achieved. One of the main considerations is, of course, the sterling dollar relationship, at present governed largely by terms of the U. S.-U. K. loan by which sterling proceeds become free at the end of this year.

On balance, Canada expects no deterioration in her position and possibly some improvement, once trade is freed from the close association of the centuries. But the all-important question is what attitude Indian ministers and advisers will take on the British preference, and their willingness to make concessions to other Dominions, once tariff bargaining with the United States gets under way.

Although the real bargaining will not get under way until next spring, the preliminary meeting in London in October may give the first clue as to where India will stand.

Shortages Slow Rural Program

Although faced with unexpected difficulties in obtaining construction materials, the Ontario Hydro Commission is reported pushing forward its five-year program of rural electrification as rapidly as circumstances permit.

By drawing on its reserve of stocks, which have been augmented by only a scanty trickle of new deliveries, the Commission has been able to construct 784 miles of new rural line to the end of June. Extensions have been undertaken, on as fair a basis as possible, it is stated.

Ontario Cocktail Lounge Rules Reported Drafted

After months of work and research behind wartime-like secrecy, officials of the Ontario Attorney-General's department have finally completed the draft of regulations governing the operation of cocktail lounges and the sale of liquor by the glass in Ontario.

No one at Queen's Park will admit officially that the lengthy, ticklish job of drafting the who, when, where and how rules and restrictions is finished. The "lid" is still on and the customary reply to any enquiry is either, "Don't know a thing," or "No comment."

But a reliable authority says and talk among both the wets and drys confirm it, that the job is done. But this doesn't mean would-be cocktail lounge operators have the green light to start building. Several of the larger hotels in Toronto have begun making alterations and a number of restaurant owners have sold out to people who plan selling liquor but that is as far as things have gone at the moment.

One such deal just made was the sale of a Muirhead's restaurant, Toronto (Yonge-Shuter). The restaurant is now closed for alterations. A combination night club, restaurant and lounge is said to be planned for the old Active Service Canteen in Toronto, where more than a million servicemen were entertained during the war. Exterior "face-lifting" is under way at present.

In anticipation of the cocktail

(Continued on page 2, col. 6)

Canada Plans Fight in London Against U.S. 'Invisible Tariff'

Contends American Customs Administration, Beyond Truman's Control, Can Nullify Trade Concessions and Bar Imports From Country

By KENNETH R. WILSON

OTTAWA (Staff)—A frontal attack on customs administration—often called "The Invisible Tariff"—will be launched by Canada's large and important delegation to the preliminary International Trade Conference in London on Oct. 15.

Canada's delegation is to be chaired by Hon. Dana Wilgress, Ambassador to Russia. Vice-chairman is Hector McKinnon, Chairman of the Tariff Board. Other members include: Fred A. McGregor, commissioner of the Combined Investigation Act and Canada's top-flight expert on cartels, monopolies and trade combinations; David Sim, Deputy Minister for Customs and Excise, Department of National Revenue; Hubert Kemp, Director of Commercial Relations, Department of Trade and Commerce; Sydney D. Pierce, head of the Economics Division of Department of External Affairs; J. J. Deutsch, Director of Economic Relations, Department of Finance; L. E. Couillard, Department of Trade and Commerce.

The official announcement of the Canadian delegation states: "The meeting will mark the formal opening of general international discussions designed to create an International Trade Organization and to expand world trade and employment by the reduction of trade and tariff barriers and the eventual elimination of discriminatory trade practices. The ultimate goal is to establish the widest possible areas of trade on a multilateral basis among the nations of the world. The meeting in October will be exploratory in character and preparatory to general conferences planned for next year. Arrangements have been made for informal discussions between representatives of commonwealth countries prior to the meetings."

Can Nullify Concessions

Preparation for these world trade talks has been actively under way in Canada since January. At that time a special tariff commission headed by Hector McKinnon was appointed to hear representations from commerce and industry as to needs and views on postwar trade. It was as a result of these hearings that the Government became convinced that customs practice and administration—especially as it affected trade relations with the United States—was one, if not the most important, factor in barring the way toward freer movement of trade.

In a word, it is now very clearly realized at Ottawa, that any lowering of tariff rates by Washington may be wholly or largely nullified by the arbitrary actions of customs administrators. This fear is magnified by the knowledge that President Truman's power to cut tariff rates 50% without going to Congress does not extend to customs law and administration. The American Customs Administration, in the eyes of Canadian officials and experts, is looked on as designed primarily to keep goods out, rather than let them in. Moreover, this administration derives its authority direct from statutory law—which can only be changed by Congress.

Canada to Lead Attack

When 18 nations meet in London, Canada will try to show that there are many matters other than tariffs and preferences, which must be attended to if there is to be any real progress in the lowering of trade barriers. Other nations are expected to join in this representation, but it is thought that the Canadian dele-

(Continued on page 2, col. 1)

Inside News

Irrigation Pays Off

Irrigation is paying big dividends in southern Alberta, where it serves more than 250,000 acres around Lethbridge. First introduced at the turn of the century, it is credited with playing a large part in the production of $79 millions of new wealth in the district, last year. (p.8)

"Archaic" Patent System

Canada's "archaic" Patent Office clings to "cumbersome, time-wasting and unsatisfactory" procedure, the Patent Institute of Canada charges, demanding changes to modernize and streamline the system. (p.13)

Cost of Price Control

Six years of price control in Canada may cost nearly $900 millions—more than half this sum paid out in subsidies or bonuses, The Financial Post estimates from figures submitted to Parliament at the recent session (p. 14).

Bank Loans Going Up

Canadian banks expect current business loans this autumn to reach the highest total in years. Handling of a wheat crop estimated at 450 million bushels or more, will be one factor contributing largely to increased borrowing (p. 19).

Farmers' Income Taxes

Is it fair to tax a farmer, whose earnings may fluctuate greatly from year to year, on the same basis as persons with fixed income? A number of Canadians interviewed by The Financial Post suggest allowing farmers to "average" their income over a period of five years; also allowing deductions for the services of farmers' wives, sons and daughters (p. 10).

Streamlined Housing

A German-Canadian inventor of Danish extraction is pioneering in a new construction method, which erects concrete walls for a house in 48 hours; combines two of the main approaches to low-cost housing—prefabrication, and quantity neighborhood building (p. 14).

Socialists on Spot

The Communist-inspired "squatters'" raid on Kensington apartments, has put England's Socialist Government in an embarrassing position. Further sniping at Churchill may result in making him Prime Minister again. Old land rains are at last abating, and hope of salvaging crops is rising. London Calling, by Adelphi (p. 7).

Farm Strikers Feel Pinch

Alberta farmers, now in the second week of their nondelivery strike for parity prices, are feeling the pinch of their own action, since they have no current money to spend. Four Edmonton packing houses have laid off 1,200 workers, because of nondelivery of cattle. Fruit shipped from British Columbia is reported spoiling, because of lack of purchasers (p. 14).

Speed Up Steelmaking

A new process developed jointly by Steel Co. of Canada and Canadian Liquid Air, promises to revolutionize steelmaking by cutting time of scrap and pig iron to one fifth of the present—through use of oxygen to step up heat in open-hearth furnaces. (p.4)

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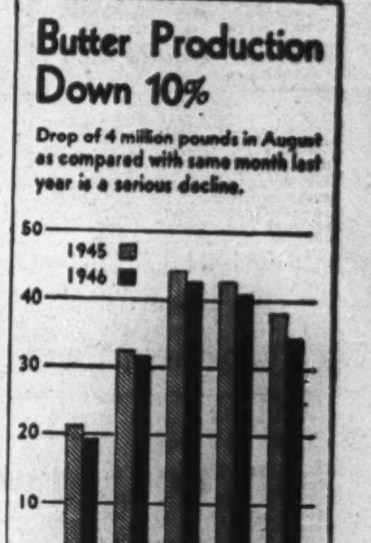
Pace of Business



Butter Production Down 10%

Drop of 4 million pounds in August as compared with same month last year is a serious decline.

August production of creamery butter was off four million pounds from year before, most serious decline since March when butter shortage became an acute problem, according to DBS. Fact that storage stocks Sept. 1 showed increase of less than a million pounds—as against increase of two million pounds month before—indicates heavy domestic disappearance in August. In June-July, total disappearance was 26.5 million lb.; August alone 28 million lb.

Rival Yellowknife Chairmen in Shouting Match And "Man of a Few Million Words" Busy Also

by GORDON M. GRANT

Can officers and directors of a company override a court injunction which apparently forbids them to do other than call a shareholders' meeting? Can a chairman ignore opposition votes on a show of hands and declare motions "carried" when lost by a three-to-one vote?

These and related questions caused a storm in Toronto on Sept. 12 and again on Sept. 17, when an opposition group headed by J. Bradley Streit, John Tovell and J. J. Gray finally elected a new board of directors with Mr. Streit as president over protests of the former management headed by H. R. Swanson who were thought to be restrained by the court order.

Anyone who thought that the former management would quietly bow out after the judgment of Chief Justice McRuer, bargained without Mr. Swanson. At a special meeting called by the Streit-Tovell-Gray interests, Mr. Swanson claimed the right to the chair as chairman of an adjourned meeting. He never did admit losing this alleged "right."

Actions of Mr. Swanson as initial chairman brought "ohs" and "ahs" from the shareholders, the majority of whom appeared in sympathy with the Streit side and surprised at the way the meeting was conducted.

Twice Mr. Swanson called for a show of hands on a motion and when about three times as many hands showed "against" as "for," Mr. Swanson nevertheless called motions "carried."

Wouldn't Permit Scrutineer

When a ballot was demanded, Mr. Swanson refused to allow the opposition a scrutineer to sit in on the counting.

"I will handle this myself with the assistance of the secretary of the company," he declared.

After adjourning the meeting an hour to permit counting of ballots, Mr. Swanson declared himself not ready to give out results. "There are a lot of proxies which will take some consideration on the part of our attorney," he said, announcing his intention to adjourn the meeting.

Questioned by Geo. A. Gale, a shareholder and counsel for Mr. Streit, Mr. Swanson said he couldn't say why certain ballots were questioned and refused to answer how many ballots were questioned because he "didn't have a list."

Despite a motion on the part of Mr. Gale for nomination of directors, Mr. Swanson declared that a motion to adjourn was in order, taking precedence over any that had been moved before.

But Mr. Swanson couldn't adjourn the meeting at that time because he said he could not render a decision on the ballot without advice of counsel even though it had already been pointed out that persons present at the meeting together with proxies of Lake & Co. and Roytor & Co. supported by statutory declaration, representing over 50% of the issued shares, had voted against adjournment.

Opposition Steps In

When Mr. Swanson did not continue counting ballots, J. Bradley Streit moved appointment of John Tovell as chairman and this was carried on a show of hands 14 to one.

The new meeting, in which the Swanson group refused to participate, elected J. Bradley Streit, John Tovell, Paul Robert, George Wood and J. F. Willis, as directors.

A total of 739,468 shares were voted by persons in favor of this motion and the scrutineer reporting stated that in addition J. Bradley Streit had filed a Lake & Co. proxy for 74,000 shares and a Roytor & Co. proxy for 65,000 shares. Including the total proxy vote, there were stated to be 906,096 shares in favor of the new directors with none voted against.

Two Meetings At Once

Both factions adjourned until Tuesday. Swanson forces were to meet at four p.m., the Streit meeting was called for three.

Then came a sensational tangle, and a din that could be heard far down hotel corridors.

Swanson and forces arrived for the three o'clock Streit meeting. Swanson wanted to be its chairman. Streit felt he was the only legitimate chairman. Both men started talking, trying to outshout the other.

Finally the shouting match ended, drowned out largely by the fact that the meeting obviously had more Streit than Swanson supporters.

The Swanson forces, closely grouped on one side of the room, continued to hold their meeting while the Streit forces tried to get ahead with their business.

W. R. Sweeney, Van Dyke-d, immaculate and inveterate company meeting goer, arrived with the Swanson forces and was their most active spokesman.

When he called on the chair for an opportunity to speak, Mr. Streit declared, "We will now hear from the man of a few million words."

Mr. Sweeney spoke less than that.

The Swanson forces claimed that the Streit meeting was illegal but finally voted their stock in it.

With two scrutineers operating, Streit, Tovell, Willis, Wood and Robert were confirmed as directors, 907,871 shares being voted in their favor. It was reported that a B.E.A.R. proxy for 867,837 shares was against their election and voting later revealed that the Swanson group, in addition, were voting 75 shares held personally. The court injunction prevented B.E.A.R. voting 700,000 further Yellowknife shares which have been ordered returned to the Yellowknife treasury under the judgment now appealed.

After approving the minutes, confirming new directors, it was then agreed that a statement on the position of the company as

(Continued on page 2, col. 3)

hunters of experience agree . . .

It's the wise hunter who will be the well-dressed hunter this Fall. For he knows the value of clothing designed to keep out damp, raw winds, to protect him from driving, stinging rain, to keep him warm and dry no matter what the weather. And he also knows that in EATON'S Sporting Goods Dept., he can obtain the finest in hunting equipment—rainproofed hunting coats—wind and water resistant cotton duck breeches—heavy leather high boots—sleeping bags—in fact, all the equipment he needs for protection against the rain and cold.

EATON'S

Invisible Tariff Fight Planned

(Continued from page 1)

gation, because of its close proximity to the United States, will be in a better position than most countries to lead the attack.

The ITC talks will largely centre around preliminary discussion of proposals for an International Trade Organization such as were agreed upon last November by the United States and Britain. The London meeting will hope to explore what other nations think about these proposals and what change, if any, has taken place in the attitude of Washington and of the British.

Very little of a concrete nature is expected from London this fall, because by common consent, tariff rates will not be discussed pending action by the United States under its revised reciprocal trade agreement law. Hearings under this Act are not expected to begin until after the November elections. In March or April, 1947 a rough-and-tumble discussion on tariffs and preferences is planned, to be followed in the summer by a world trade conference.

Classified ADVERTISEMENTS

Classified ads. cost 6c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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GOLD MEDALLIST and specialist in modern languages offers expert tuition in English, Junior Latin and French and German to grade thirteen. Translations from French and German accurately done. Box 116, The Financial Post, Toronto.

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FULLY TRAINED in sales, accounting, economics, or engineering, and modern control systems, with executive ability, required shortly by international business concern. Knowledge of languages preferable. State age, education, experience, and salary required. Box 124, The Financial Post, Toronto.

POSITION WANTED

ACCOUNTANT, EXPERIENCED and trained in general accounting, income tax, office management, cost accounting and as business secretary, desires position. Experience includes four years with large Trust Company as Accountant, seven years with bank, four years with large automobile agency. Box 114, Financial Post, Toronto.

Greeks Back Shipping Firms

(Continued from page 1)

companies operated from London, Eng.

Just how much Greek capital has been invested here so far is difficult to say, but Triton so far has spent more than half a million it is stated. This, however, does not represent the full amount of its final investment, which will probably reach $3 millions. Acadia Overseas Freighters, which operated in Canada before the war has a still greater investment, since it has purchased 12 or 14 ships since the war.

Triton at present is employing all-Canadian crews. How long the Canadian pool of seamen will last is problematical. It is reported that something like 100 additional ships are still to be chartered, which means crew of 4,000. Engineers and other technicians are hard to find right now, it is stated.

EXECUTIVE ASSISTANT AVAILABLE

Canadian, age 33, married. Qualified lawyer with legal and business experience; wishes to join aggressive industrial firm with future, preferably in Toronto vicinity. Was assistant to secretary of large company before going overseas.

APPLY BOX 128, THE FINANCIAL POST, TORONTO

Price Controls Costing Canada $900 Millions

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soared alarmingly with abandonment of OPA.

From information given the House and compiled by The Financial Post from other sources, here is what the present subsidy estimates look like in comparison with what was spent during the calendar year 1945:

Latest WPTB Subsidy Estimates

	Fiscal Year 1946-47 $	Calendar Year 1945 $
Import subsidies	42,000,000	39,000,000
Domestic subsidies:		
Milk (consumer subs.)	6,600,000	20,847,000
Coal and coke	4,000,000	2,166,000
Wood and fuel	2,500,000	2,572,000
Oil and fats	2,400,000	2,502,000
Iron	1,500,000	......
Rubber	900,000	1,936,000
Fruit and veg.	500,000	1,142,000
Woodenware	500,000	2,119,000
Miscellaneous	2,700,000	5,600,000
	21,600,000	39,000,000
Trading losses:		
Oils and fats	7,000,000	2,132,000
Wool & wool prod.	4,000,000	1,393,000
Coffee	4,000,000	1,360,000
Dried fruit	3,000,000	4,271,000
Cotton yarn & fabrics	2,000,000	2,263,000
Tea	800,000	425,000
Coacoa beans	500,000	......
Miscellaneous	1,000,000	2,800,000
	25,300,000	15,000,000
Wartime Food Corp.	100,000	291,000
Total	89,000,000	93,000,000

Fuel Subsidies High

Most notable changes from 1945 are the sharp increase in cost of import subsidies — chiefly due to higher U. S. prices for coal, cotton and other textiles. Domestic coal and coke subsidies are expected to run $4 millions, twice the figure of a year ago.

Biggest trading loss is on oil and fats — up $5 millions from the $2 millions of 1945. Coffee and wool are rated at $4 millions each, compared with considerably less than half this amount in 1945.

If the $90 millions figure proves correct, then direct, out-of-pocket cost-of-living subsidies incurred by the WPTB since 1941 will have totalled $440 millions by March 31, 1947. The bill at the end of 1945 was $325 millions, of which about $140 millions had gone for import subsidies and a like amount for domestic subsidy. Trading losses at that date had been just over $40 millions.

It will be noted that trading losses in the present 12-month period are now placed at $25.3 millions or 60% of the entire amount incurred during the previous four-year period.

Bread Subsidy $80 Millions

These subsidy payments are apart from expenditures by other departments such as the $18 millions being paid annually to Canadian millers to keep down the cost of bread and the very large amounts paid out by the Department of Agriculture to bonus producers by one means or another. The bread subsidy alone will have cost approximately $80 millions as at the end of March, 1947.

A rough estimate of agricultural subsidies to bonus production, assist freight movement, etc., places the total which will have been required as at March 31, 1947, at $375 millions. Of this, about $290 millions had been spent at the end of the last fiscal year. An additional $85 millions is sought in the estimates for 1946-47 to cover milk, cheese and butter subsidy ($48.5 millions); freight assistance on western feed grains ($18 millions); wheat used as feed for livestock ($8 millions); premiums on hogs ($5 millions); miscellaneous ($6 millions).

Thus combined subsidies and assistance will have probably reached the $900 million mark, as follows: WPTB subsidies $440; Department of Agriculture $375; bread subsidy $80 millions.

Yellowknife

(Continued from page 1)

shown by the books and financial statements be deferred until a proper examination could be made.

A motion was passed repudiating past action of directors in opposing the action of J. J. Gray on his own behalf (and that of other shareholders) relating to transactions covering 650,000 shares of Giant Yellowknife which it was asked should be set aside. The motion also required that Yellowknife Gold Mines be made plaintiff in the action.

A motion was also approved repudiating transactions resulting in the issue of 700,000 shares to B.E.A.R., and calling for Yellowknife Gold Mines to be made plaintiff in this case also.

40,000 Votes Too Low

The Swanson group voted against latter motions, still protesting, but they were outvoted by approximately 40,000 shares. Only 75 shares were voted in person for the Swanson side although Jacob Greenberg and Jacob Weinberg of the legal firm of Mercer & Bradford, representing the Swanson side, are stated to own 50 shares each.

Mr. Swanson's group claimed to elect a new board of directors, ruled that they had won a Thursday ballot because one ballot, of Roytor & Co., was not valid. But at the main meeting the Roytor stock had been voted by a Roytor partner and the fact that the stock was registered in the Roytor name was not questioned by either side.

With the Streit interests naming a temporary head office, at 66 King St. W., Toronto, acquiring the corporate seal and arranging new auditors, it appears likely that Yellowknife Gold Mines will take a more active part in adjusting differences with B.E.A.R. More fireworks may be in the offing.

Salaried Men Hold Bag As Wage Ceilings 'Shot'

OTTAWA (Staff)—Now that the Government has broken its own wage ceiling, and offered steelworkers what is, in effect, a 12½-cent wage boost, the forgotten man in the 1946 wage picture, is the white-collared "salary" worker.

Irrespective of how other outstanding issues are settled, the new 12½-cent wage pattern appears certain to "stick"; will probably be the basis on which other outstanding strikes in rubber, electrical appliance, automobile and other key industries will go back to work. What's more, the new basis will almost certainly find its way "round the clock," as other wage contracts expire and are renewed in coming months.

But in the four to five months that this has been happening nothing has been done for the salaried or white-collar worker. Last amendment to the Salaries Order last January, was described as "innocuous." A more drastic change had been planned, but following the Government's refusal to allow wage earners a free-bargaining area of five cents an hour, the proposed salary amendment was withdrawn.

Little Leeway Given

All that the January change did was to give the salaries controller a little more leeway "to increase reasonably, the rate of salary paid to a salaried official whose rate of salary is unduly low." This means in effect that scores of firms and industries who are now free to pay wage increases of from 10 to 12½ cents an hour, have no similar authority to do anything comparable for salaried workers.

Now that special wartime provisions of the Salaries Order are those which permit an increase:

(a) Where there have been "added responsibilities and increased duties."

(b) Where supervisors are found to be out of line with other employees who have received a wage increase.

(c) Where there is "gross inequity."

Few Exceptions

To date, the Salaries administration has recognized no "general increase" in wage rates as constituting a reason for upping salaried workers' pay. Indeed, a special ruling of the Board limits salary increases such as described in (b) above, to salaried officials receiving not more than $4,800 and who are "directly supervising the work of foremen or other ranks." No other salaried or white-collar workers in the plant, industry or shop can qualify.

So far as can be learned, there is no present intention of changing the Salaries Order, short of another major change in the Wage Control Order. Such a change, in the Wage Order, to make possible free collective bargaining up to 15%, or approximately 12½ cents an hour, was put before the Cabinet some weeks ago but was turned down. Whether it will be revived now that the effective basis for settling the steel strike is 12½ cents, has not yet been clarified.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

Alberta Real Estate Association—Kennett Lyle (Calgary), president; W. J. Botterill (Red Deer), Lew Weber (Edmonton) vice-presidents; Howard Kelly (Calgary) secretary-treasurer.

Association of Kinsmen Clubs — W. J. Kirby (Moncton) national president; J. Y. Ramsay (Edmonton) vice-president; J. N. Murphy (Moncton) secretary.

Arider Ltd.—Don Brockway, sales manager.

Bank of Montreal—Allan T. Corner, superintendent, Montreal district.

Bell Aircraft Corp.—Frank A. Maley, purchasing agent.

British Columbia Government — Geo. P. Melrose, deputy minister, lands and forests; Norman C. Stewart, surveyor-general; Richard C. Farrow, comptroller water rights.

Brown's Bread Ltd. (Toronto) — W. H. Willis, executive sales manager.

Canadian Pacific Railway Co.—W. A. Crosbie, assistant to comptroller; J. C. Gilmer, auditor of miscellaneous accounts; Fred A. Rutherford, general tax accountant.

Canadian National Railways—S. M. Greene, district passenger agent, Vancouver; F. W. Campbell, division engineer, Belleville; E. A. Lavery, district freight agent, Hamilton; R. J. McDougall, district freight agent, London; T. L. Elliott, district freight agent, Windsor.

Canadian Weekly Newspapers Association—Robert A. Giles (Lachute, Que.), C. J. Allbon (Springhill, N.S.) vice-presidents; W. E. McCartney, managing director.

Central Mortgage & Housing Corp.—John Allan Jones, regional supervisor, British Columbia; J. S. Hodgson, supervisor, Quebec region; H. C. Spence, manager, Calgary.

Canada Culvert Co. — Thos. A. Parker, assistant to president.

Canadian General Electric Co. (Toronto)—K. J. Corkery, a vice-president; Harry Hughes, assistant comptroller in charge of corporate and tax accounts; I. H. Ashbury, in control of audits and systems; E. H. Lindsay, in charge of manufacturing costs.

Canadian Marconi Co. (Montreal)—S. M. Finlayson, a director.

Dominion Association of Chartered Accountants—R. C. Fields (Victoria) president; T. H. Moffett (Regina), C. A. Patterson (Toronto) vice-presidents.

Huron & Erie Mortgage Corp. (and Canada Trust Co.) — A. D. Love, manager, Regina branch.

International Claim Association—Jas. N. Cunningham, Toronto, president.

James Fisher Co. (Toronto)—A. L. Thompson, president; G. A. Martin, executive vice-president; Douglas C. Brace, vice-president; Mrs. C. M. Robertson, secretary-treasurer.

George Weston Ltd.—H. B. Manning (Toronto) a director.

Equitable Life Insurance Co. (Waterloo)—L. O. Breithaupt (Kitchener), a director.

Imperial Tobacco Sales Co. of Canada—A. Simard, manager, western Quebec branch.

London & Western Trusts Co. — J. D. Harrison, general manager.

Eastern Steel Products (Preston, Ont.)—F. J. Madely, assistant general manager.

London Life Insurance Co.—Alex H. Jeffery, a director.

Manitoba Government—R. S. Elliott, director, Industry and Commerce Bureau.

Manitoba Associated Board of Trade—D. G. McKenzie, president.

McKim Advertising Ltd.—Ian Wallace, manager, London (Eng.) office.

Mount Royal College (Calgary)—Dorothy F. Argue, dean of women.

Quebec Legislative Council — J. P. M. Sauve, G. B. Foster, Olier Renaud, Gerald Martineau.

Trans-Canada Air Lines — W. R. Campbell, traffic manager, central region, Toronto; John G. Maxwell, traffic manager, eastern region, Montreal.

Toronto Stock Exchange Staff Association—E. O. Jones, president; G. Ollerenshaw, vice-president; Frank Parrott, secretary.

York Automobile Ltd. (Verdun)—Chas. Desgroseliers, director in charge of sales.

University of Saskatchewan—Mr. Justice Maclean, chancellor.

Winnipeg Grain Exchange—Stanley N. Jones, president; Harley L. Flood, C. Gordon Smith, vice-presidents; W. J. Dowler, R. R. Emerson, Geo. S. Mathieson, R. A. Purves, J. B. Richardson, S. A. Searle, council members.

World Labor Body Proposes UN Affiliation

MONTREAL (Staff)—Descending on the city from 45 countries, delegates to the International Labor Organization's 29th conference session are filling Montreal hotels this week. More than 500 delegates are expected to attend the three-week session, opening Sept. 19.

Each country sends four official delegates; two representing the Government, one each from management and labor ranks. Canadian delegates will be Labor Minister Humphrey Mitchell and Deputy Minister Arthur Macnamara, for the Government; Harry Taylor of the Canadian Manufacturers' Association for management and for workers, Gustav Franq, secretary of the Quebec Federation of Labor (Trades and Labor Congress).

Some observers who look on ILO as a possible solution to many of the present day ills of the world, stress that unlike its parent body, the League of Nations, it is still functioning. ILO was formed in 1919 as an autonomous associate of the League. It is now proposed, however, to affiliate with the UN.

Six Main Items

Six items appear on the agenda for this 29th session, now meeting.

(1) Ratification of the proposal to affiliate with United Nations.

(2) Director's report.

(3) Protection of children and young workers; and social policy in nonself-governing countries.

(4) Remodelling the ILO by means of new rules to equip the organization to meet today's needs.

(5) A survey on the manner in which member countries are carrying out their agreements with the organization.

(6) Budget and finance for 1947.

ILO was originally formed to further social justice as a basis for universal and lasting peace and to improve conditions of life and work by concerted international action. Actually it was thought that ILO would put each of its members on a fair competitive basis. Countries with low standard of living had argued that wages, working conditions, etc., could not be raised without putting that country at an unfair disadvantage with regard to trade. ILO's job has been to try to raise all countries equally and at the same time.

All member countries are bound to consider proposals advanced by the organization, but are not bound to accept them. If, however, a government ratifies a proposal, it is bound to implement it through legislation or other means.

New Director Named

At a preconference meeting of the executive council early this week, Edward J. Phelan was appointed permanent director. He had been acting director since 1941 when John G. Winant resigned to become United States Ambassador to the United Kingdom. Mr. Phelan is an Irishman, formerly in the British Civil Service. He has been with ILO since 1919, however, at which time he was principal secretary at the first conference in Washington.

Highlighting preconference days has been the controversy in United States as to whether CIO or AFL should be chosen to represent U. S. labor at the conference. U. S. labor's delegate has traditionally been chosen from AF of L ranks. By picking R. J. Watt for this conference, President Truman stayed with tradition and AF of L as soon as it was known that CIO was not to participate in ILO.

Two new members have been admitted to the organization, Italy and Guatemala. Italy, formerly a member, left when it severed its connection with the League of Nations. Russia is not a member of ILO, since she has not occupied her seat since being ousted from the League and the seat has not been kept open.

Rules Drafted But Cocktails Said Year Away

(Continued from page 1)

measure, a Toronto group bought the "tired" Carls Rite hotel, gave every guest notice last spring and tore the place inside out. They brought in a noted New York designer who planned the new lobby, dining room, ballroom and last but not least—a violin-shaped cocktail lounge. The hotel expects to be taking reservations sometime in October, a spokesman said.

For a time the Board of Trade in Toronto was faced with the gloomy prospect of moving out of its dignified quarters in the King Edward hotel. The space, at that time, was needed for "other things."

Today, however, the Board is negotiating with the hotel for a five-year lease, indicating that the hotel now has no need for the Board of Trade space. This suggests that other space will be available.

There is talk that at least one race track in the Toronto area will make a determined effort to install hard liquor facilities.

Most of the larger hotels in the province have definite and elaborate plans to take advantage of the new Act but are still hesitant to proceed with them, not knowing just what the regulations or restrictions might be.

Still Hesitating

Now, even though the regulations are on paper, there's a definite "look-before-you-leap" feeling in the air, especially in view of the promise of Attorney-General Leslie Blackwell, who has full charge of the Act, to let at least some interested parties have a look before the Act is proclaimed. It is believed probable that, as a result of these "surveys" changes will be made in the rules as they now stand.

When the Act will be proclaimed and cocktail lounges become real is a matter of conjecture. Sources close to the government say it could easily be a year as other factors have entered the picture since the Act was passed at the last session of the Legislature.

The government isn't too concerned about the lengthy delay inasmuch as it doesn't want to be a party to anything which will funnel desperately needed material for homes into non-essentials like cocktail lounges. There isn't much pressure either from interested wet groups who are familiar with shortages in vital liquor-selling equipment like glasses, bottling equipment and refrigerating units.

If the Act were proclaimed tomorrow, many hotel and restaurant people feel only a few operators would be in a position to take advantage of it. In any event, none will be open before Christmas, it is agreed.

Another factor contributing to the general delay is the shortage of liquor. It is felt the government would be in an untenable position if it made new outlets possible while still unable to fill current demands.

Realtors Hit Rent Control

Ottawa is still talking down all suggestions and arguments for early relaxation of rent control on a progressive basis, retiring president C. E. Purnell, Hamilton, told the Canadian Association of Real Estate Boards annual conference in Ottawa this week.

"Rent control," Mr. Purnell charged, "has never been the means of producing one unit of housing and is stifling initiative to build houses. As a result we now see veterans paying 60, 70 and 80% more for their homes than pre-war—largely as a result of terrific shortage of accommodation. Wouldn't it be better for veterans to pay an increased rent than to be forced into buying homes at fantastic prices?"

Supply "Chaotic"—Mansur

The present building supply position and priorities system are "chaotic" because materials aren't available to back priorities, said President David B. Mansur of Central Mortgage & Housing Corp. Even if the steel strike ended at once, work on at least half of the 40,000 houses now under construction will carry over into 1947, the national housing administrator predicted. Mr. Mansur announced that the Government is willing to sell its interest in 2,100 housing units created under the home conversion plan.

P. C. Armstrong, Montreal, CPR economist, said he believed the present price of housing will remain constant for many years. Mr. Armstrong advocated re-creation of a class of professional landlords and said this could be accomplished by letting them make a profit. It was the only way out of the present housing dilemma. Weakness of subsidized housing, he said, is that rentals inevitably are higher than in houses built by private enterprise. "We are being led down the garden path of socialism by the theory the Government is responsible for seeing everybody has a good house," he said.

Alfred J. Bender, Kitchener, was elected president of the Canadian Association of Real Estate Boards, succeeding C. E. Purnell, Hamilton.

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Can. Permanent Mtl. Loan & Mtge. Deal is Approved

Shareholders of Canada Permanent Mortgage Corp., at a special meeting in Toronto last week, unanimously approved an agreement to purchase the assets of Montreal Loan & Mortgage Co. On the same day in Montreal, shareholders of Montreal Loan & Mortgage Co. unanimously ratified the agreement to sell the company's assets.

Montreal Loan shareholders will receive $58.50 a share for their 24,000 shares, par $25. (See The Financial Post Aug. 31, 1946.) Assets of Montreal Loan totalled $1,492,511, at Dec. 31, 1945. Total assets of the two companies will be about $140 millions.

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The Store for Men— Simpson's —Second Floor

Provincial Roundup

Maritimes

Charlottetown newspapers called on the Government of Premier Walter John Jones to call a spade a spade, and to treat the liquor business as a Government-controlled industry (recently, the House of Commons was informed that P.E.I. did not publish statistics of its liquor sales). The Prohibition Act provides for a three-man commission, to administer liquor sales, but thus far it has not been appointed, sole authority remaining vested in Attorney-General Frederic Alfred Large. Meanwhile, the Province planned to enlarge its liquor sale facilities in Charlottetown.

Plan New Incinerator: Charlottetown planned a $30,000 incinerator; also studied a compulsory garbage collection system, at a rate to amortize cost of the equipment, over 20 years (at present, garbage collection is handled by a private company, and is not universally patronized).

Civil War in Industry: "Civil war" in industrial centres, is crippling Canadian progress; and under such circumstances, editors require knowledge, courage, conviction, and "the tongues of men and angels," Hugh Templin, Fergus, Ont., retiring president, told the Canadian Weekly Newspapers Association in Halifax. He reported 611 member weekly papers, against 236 in 1934.

Apples Escape: Hants County and Annapolis growers sighed in fervent relief, as a threatened hurricane veered eastward from Nova Scotia's coast, leaving a bumper $6 million apple crop virtually unscathed.

Satisfied Tourists: An estimated 22 million tourists, mostly from the United States, spent approximately $233 millions in Canada this year, and not one in 1,000 had filed complaints with customs authorities, D. Leo Dolan, Canadian Travel Bureau Head, reported in Halifax. As the Dominion's three main attractions to visitors, he listened: Fair prices, natural beauty, civil and kindly treatment.

Lumber for U.K.: A new and possibly permanent market for New Brunswick lumber, was unfolding in Britain. Birch, beech, maple and poplar from the province, might help to furnish postwar homes in the United Kingdom, A. E. Johnson, chief technical officer of the British directorate of furniture production, explained in Fredericton; said it was wanted "soonest," but believed six months' leeway possible, if bottlenecks prevented earlier deliveries.

Time for Ducks to Duck: Shotguns crackled through northern New Brunswick this week, blazing the opening of the duck-hunting season (two weeks earlier than previously planned) with the closing date also two weeks earlier, at Nov. 29). Revised regulations on migratory game birds were also effective in Cumberland County, N.S.

K. J. CORKERY

has been appointed a vice-president of Canadian General Electric Co.

West Coast

Canada's "last great west," the Peace River country, was stirring with prospects of new life today, with the Alaska Highway providing for north and south travel, with the Peace River spanned by a large steel bridge, and with prospects of P.G.E. extension. Since return of the area from federal to provincial jurisdiction in 1930, depression, transportation and war problems had hampered its development.

Deadline for Students: This week was deadline for prospective students (over 8,000 expected) to register for the 1946-47 term at University of British Columbia. For new students, zero hour was Wednesday, Sept. 18; others were allowed 48 hours' leeway.

Seiners Summoned: Operators of 22 large salmon seine boats faced prosecution for allegedly violating fishing boundaries off the mouth of the Fraser River. Fishermen staged a one-day strike, demanding wider territory; complained that the salmon were not entering the river, and that by the time they did, they would have deteriorated in quality. Nevertheless, one day's seine catch was reported at 600,000 fish, worth approximately $1 each.

Peaches Wasted: Peaches were rotting in Summerland, for lack of cannery help. Appeals to Vancouver, Trail and Nelson, with offers of full transportation paid, brought no results.

Lumbermen Squeezed: With lumber stockpiles still low, two months after settlement of the strike, the industry awaited a visit from Timber Controller Terrence Flahiff, to enquire into price ceiling problems. Dealers complained they were caught in a squeeze between rising log and labor costs, and rigid price levels.

Always Be a Senate: "A radical's pipe dream," Hon. James H. King, Speaker of the Senate, dismissed suggestions of abolition of Parliament's Upper Chamber. He suggested possible "reforms"—limits of age or terms, election instead of appointment; but went out on a limb on none of these.

Senator Incensed: Vancouver's Senator Gerald Grattan McGeer was in a fighting mood against price and wage controls, foreign exchange control, and "the general drift toward centralization of all government control in Ottawa": "The provinces have to fight with all their power, to stop this drift . . . Centralization may be the rock on which the ship of Confederation can go to pieces." He didn't favor a suggestion that he oppose Mayor J. M. Cornett in the December municipal elections: "We'd split the vote, and let a CCF candidate slip in."

"Owe Debt to Canada": "To see and learn what we can of your immense country," Baron Addison, Dominion Secretary in the British Government, and Lady Addison, were in Vancouver and Victoria this week. "Britain," said the veteran Labor peer, "is conscious of what we and free people everywhere, owe to Canada for help in time of danger, throughout the war and since it ended."

Ontario

Northern Ontario's "White Elephant" lignite beds might yet pay off, in event of a coal famine next winter. In the past, the province had spent more than $1 million, in establishing that the contents of the estimated 100 million-ton field, could not be economically processed. But in the face of the present emergency, Mines Minister Leslie Miscampbell Frost prepared to mine up to 30,000 tons, available at Cochrane at roughly $6 a ton. Lignite in its raw state deteriorates rapidly, hence cannot be stored long; yields about 4,500 B.t.u's per ton, against imported anthracite's 12,000. Processing makes the fuel more durable, almost doubles its heat capacity; but the cost, under present conditions, is said prohibitive.

Lakehead Nearer East: A new 75-minute airline connection (TCA) with Duluth, effective this week, brought the Lakehead Cities, Port Arthur and Fort William, within eight-and-a-half hours of Toronto, 11 of New York.

Honor Banting Memory: Scientists and researchers from several nations, in Toronto this week marked the 25th anniversary of the discovery of insulin (by the late Sir Frederick Banting and Prof. C. H. Best); heard a warning from Dr. E. P. Joslin, Boston, that despite use of insulin, the number of diabetics in the United States is likely to double by 1950.

S. M. FINLAYSON

general manager of Canadian Marconi Co., has been elected a director of the firm.

Prairies

As Churchill rounded out its first active shipping season in seven years, the Hudson Bay Route Association defined the essential minimum for future economic operation: At least 15 million bushels of grain, potential cargo for 45 ships, with additional cargoes of lumber, fish and mineral products, during a four-and-one-half-month season, the longest feasible open period. Said Association Director A. J. Hansen: "Churchill can't encroach seriously on existing trade routes; can never become a second London, Vancouver or Alexandria . . . that was a conclusion written long ago, by nature."

Meanwhile, Churchill sounded a vain SOS for stevedore labor; offered 54 to 64 cents an hour, plus two-way transportation, for all finishing out the season; got no takers.

Big Beet Crop: Still far from their Fatherland, 16 months after the war's end, more than 1,000 German prisoners stood by this week, to start garnering Manitoba's 107,000 ton sugar beet crop—considerably higher than last year, although cut by adverse weather. Preliminary tests showed a sugar content about 2% higher than 1945's.

Hunt Shells First: Manitoba opened a problematical hunting season this week, with more hunters, but fewer ducks, and with ammunition still scarcer. Brass and lead shortages cut dealers to about 25% of their normal supply. Sportsmen from more than a dozen American states applied for shooting licenses, at $25 each.

Short Cut for Teachers: Short 500 teachers, Saskatchewan offered a short cut to some of its 775 normal school students; a five-months' course, then four months' service in rural schools, "under supervision." That was approaching the problem from the wrong angle, in the opinion of the provincial Teachers' Federation, which complained of "inexperienced, untrained and unqualified personnel, unloaded on rural schools." Declaring present salaries were not attracting or holding teachers, the Federation called for, a new schedule, with minimum yearly scales of $1,200 to $1,500 (at present $1,000 to $1,200), plus yearly increments of $100 for 15 years.

Prison Reform Nearer: After six months' study of penal institutions in several Canadian provinces and eight American States, a royal commission was preparing its report for the Government. Members were Dr. S. R. Laylock, professor of education psychology at University of Saskatchewan; W. H. Holman, barrister, of Outlook; and Clarence Halliday, executive director of the Children's Aid Society, Ottawa.

Biggest Surplus Yet: Alberta reported a record surplus of $10,310,856 for the fiscal year ended March 31, almost double the $5,885,880 figure of the year before. (Actual operating surplus was $13,153,530, before setting aside $1,506,122 for the postwar reconstruction fund). Revenues for the year were $10 millions above estimates, at $40,915,956; expenditures more than $2 millions lower, at $29,268,547. Liquor profits grossed $8,125,156 (estimated $5 millions); gasoline and fuel oil tax $4,463,196 (estimated $3.5 millions). Net funded and unfunded debt stood at $146,219,764, up $1,587. An interim report for first quarter of current fiscal year, showed $2,313,509 deficit, after $3,337,982 set aside for debt refunding.

Invite Teachers to Stay: Faced, like other provinces, with a dearth of teachers, Alberta offered to remit registration and students' union fees for Faculty of Education candidates—one third of the fees cancelled, for each full year of teaching after graduation.

Fight Indian TB: Tuberculosis death rate among Alberta Indians, 1,200 per 100,000 population, is one of the highest in the Dominion, said Dr. Percy Moore, medical services director of the Indian Affairs Dept., outlining plans for federal and provincial co-operation to cut the mortality (Alberta's over-all death rate is 31 per 100,000, third lowest of Canadian provinces). Alberta Tuberculosis Association offered $1,500 toward purchase of an X-ray machine.

Door Open to Veterans: University of Alberta's dental school would not close its doors to any qualified war veteran students, Mr. Justice Parlee, chairman of the Board of Governors, and Premier Manning, agreed, deciding, rather, to enlarge the premises. Previously, 12 ex-servicemen had complained of being refused admission, on the grounds of lack of accommodation.

Quebec

Pontiac had spoken, and the impossible had happened, in a five-way contest, a modified Social Credit candidate, Real Caouette, 29-year-old garage manager, was the winner, defeating Liberal, Progressive Conservative, CCF and Communist opponents. Exact relation of Caouette's Union of Electors, to Social Credit, was obscure. On nomination day, he was quoted as repudiating Solon Low's federal party; later he denied the reported repudiation. One of the welter, one clear-cut fact emerged; it wasn't an endorsation of the King Government.

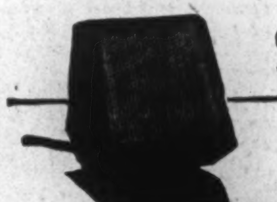
For Free Enterprise: Quebec will always respect and safeguard free enterprise, Premier Maurice Duplessis pledged to the executive council of the Canadian Manufacturers' Association; opposed state ownership "even though sometimes necessary, as the lesser of two evils"; upheld labor's "right to strike, and right also, not to strike"; proclaimed: "Intimidation and blackmail are always to be fought, whether from employers or from so-called labor leaders."

Ask 750,000 Dry Pledges: Drink no liquor, buy no liquor, serve no liquor, was the pledge asked of the United Church of Canada's nearly 750,000 members, at its General Council meeting in Montreal. Members were also asked to invest no money in any business concerned directly or indirectly, with manufacture or sale of liquor; which would cover hotels, and possibly, in future, many restaurants also. The Council endorsed, in principle, "reunion" with the Church of England.

Hope Polio Ended: Believing cooler weather had ended the poliomyelitis menace, Montreal schools opened this week, two weeks later than usual. Elsewhere in the province, most schools were to resume next week, if teachers were available. The Corporation of Catholic School Teachers appealed to 1,500 former members, to return to their posts; said the alternative would be closed schools, or unqualified teachers; contended "decent salaries" would draw many back to their former profession.

Seek Labor Codes: Montreal was host this week to labor officials representing most of the United Nations, assembled in one of the first major efforts to cope with international postwar problems. Later, Canadian provincial labor ministers were to convene in Ottawa with Federal Labor Minister Humphrey Mitchell, seeking a permanent peacetime labor code in place of present emergency labor and wage controls.

Quebec Battles TB: Armed with funds of $10 millions, to be spread over a four-year period, Quebec planned a new all-out drive against tuberculosis, to be spearheaded by Dr. J. A. Vidal, superintendent of Sacre Coeur Hospital, Cartierville. With health units now operating in more than 70 of the province's 91 counties, the present campaign will aim at provision of more beds, and extension of present preventive work.



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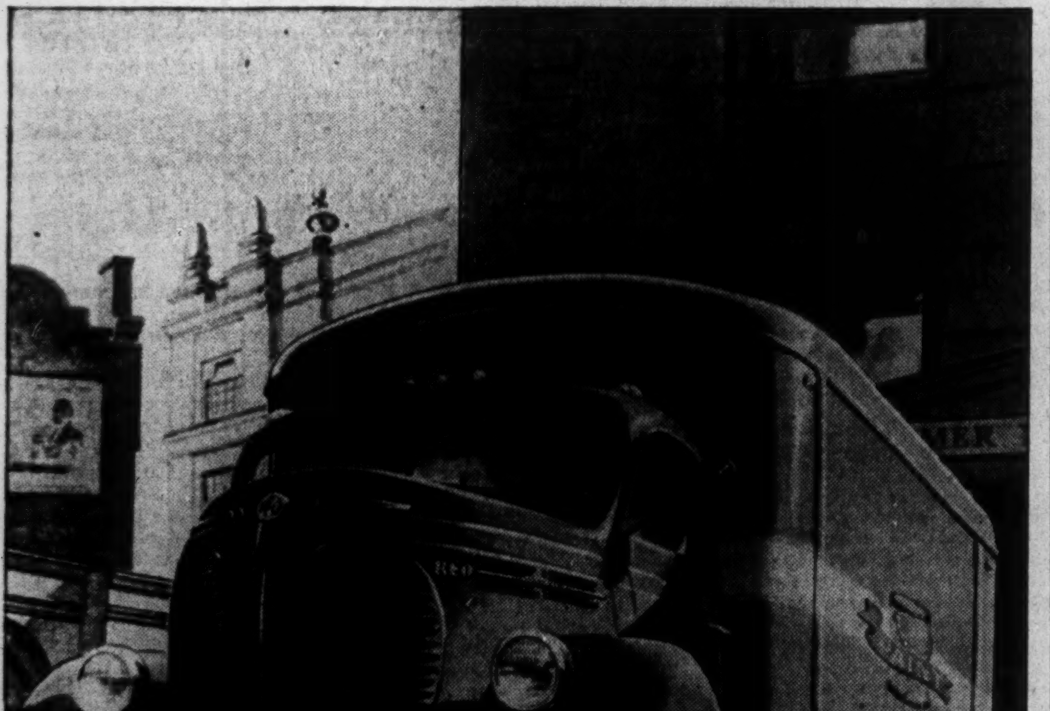

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19-46

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Province of Prince Edward Island
Redemption of Debentures

Notice is hereby given that the Province of Prince Edward Island intends to redeem, for the Sinking Fund purposes of the said Province only, a portion selected by lot by the Treasury Board of the 4% debentures issued on the 15th day of September, A.D. 1941, and maturing on the 15th day of March, A.D. 1954, pursuant to the option for redemption set forth in the said debentures, such redemption to be at 101 percent of the principal amount. The said redemption will take place on the 15th day of September, next, A.D. 1946.

The portion of the said debenture issue to be redeemed on the said date has been selected by lot by the Treasury Board and the numbers of the said debentures so selected for redemption are as follows:—

Numbers A-0022, A-0057, A-0067, A-0068, A-0091, A-0144, A-0187, A-0195, A-0196, A-0197, A-0203, A-0236, A-0263, A-0269, A-0262, A-0284, A-0463, A-0505, A-0506, A-0643, A-0648, A-0736, A-0752, A-0798, A-0805, A-0836, A-0843, A-0870, A-0909, A-0937, A-0941, A-0997, A-1003, A-1069, A-1077, A-1078, A-1081, A-1102, A-1122, A-1258, A-1276, A-1290, A-1296, A-1316, A-1354, A-1395, A-1413, A-1420, A-1448, A-1454, A-1498, A-1616, A-1630, A-1646, A-1727, A-1730, A-1746, A-1774, A-1883, A-1870, A-1933, A-1941, A-1982, A-2004, A-2091, A-2106. EACH FOR $1,000.00.

Numbers B-10, B-88, B-143. EACH FOR $500.00.

Holders of the debentures above enumerated are hereby required to present their debenture certificates for redemption on the said 15th day of September, A.D. 1946, at the principal office of the Bank of Montreal in Charlottetown, Prince Edward Island; or Montreal, Quebec; or Toronto, Ontario; Canada.

Debentures numbered as hereunder, drawn for redemption in the years 1942, 1944 and 1945, have not, as yet, been presented for payment:

Number A-0339 ...$1,000.00 ...Drawn 1942
Number A-1672 ... 1,000.00 ...Drawn 1942
Number A-1839 ... 1,000.00 ...Drawn 1942
Number A-1263 ... 1,000.00 ...Drawn 1944
Number A-1235 ... 1,000.00 ...Drawn 1944
Number A-1843 ... 1,000.00 ...Drawn 1944
Number B-0157 ... 500.00 ...Drawn 1944
Number A-0042 ... 1,000.00 ...Drawn 1945
Number A-0071 ... 1,000.00 ...Drawn 1945
Number A-0198 ... 1,000.00 ...Drawn 1945
Number A-0281 ... 1,000.00 ...Drawn 1945
Number A-1364 ... 1,000.00 ...Drawn 1945
Number A-1613 ... 1,000.00 ...Drawn 1945
Number A-1748 ... 1,000.00 ...Drawn 1945
Number B- 38 ... 500.00 ...Drawn 1945
Number B- 98 ... 500.00 ...Drawn 1945
Number B- 139 ... 500.00 ...Drawn 1945

DATED at Charlottetown this 30th day of August, A.D. 1946.

WILLIAM HUGHES,
Provincial Treasurer.

FOUND LAKE GOLD MINES has completed arrangements to start a diamond drilling program, calling for a maximum of 1,000 ft. of diamond drilling per month.

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BOX 132, THE FINANCIAL POST, TORONTO

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BOX 98, THE FINANCIAL POST, TORONTO 2, ONT.

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Box 122, The Financial Post, Toronto

INVESTMENTS THIS WEEK

See Competitive Bidding Losing Favor of Dealers

The sharp decline in security prices in the past month has raised many important questions in the minds of investors in general and the underwriting fraternity in particular. One major question concerning the future practice of selling corporate securities is: can competitive bidding for new security issues be successfully conducted in the midst of a disintegrating stock market?

Failure of the City of Montreal to receive more than one bid for its recent Canadian pay issue was due to the size of the refunding operation and the need for Canadian financial houses to pool their resources. No one points to it as an indictment of the competitive bid principle. But failure of the city to obtain any bids for its New York-pay bonds last month was due to adoption of competitive bidding at a time of depressed security markets as much as any other single factor, advocates of negotiated bids maintain.

Underwriters who have contended all along that negotiated bids work out better than competitive bidding, particularly in periods of falling markets, can now say: "I told you so" with some justification. And there are instances other than Montreal's New York-pay refunding issues to support the contention of those "historical relationship" underwriters who argue that competitive bidding can only be successfully undertaken in periods of rising security prices. Last week a major piece of Columbia Gas & Electric utility financing in the United States, scheduled for competitive sale, was called off on the eve of financing and superseded by negotiation.

It is yet too early to come to any definite conclusion on the pros and cons of competitive bidding as a method of corporate security distribution in all types of markets; but underwriters who maintain that underwriters are prone to shy clear of competitive commitments in declining markets, would appear to be getting support by recent experiences in the U. S. capital markets. There negotiated sales of security issues would seem to be definitely strengthening at the expense of competitive bid transactions.

* * *

Vickers Reorganization Plan Expected Shortly

Announcement of a plan for capital reorganization of Canadian Vickers Ltd., to clear up over $2 millions in dividend arrears on its 7% preferred stock may be expected very soon, company president J. Edouard Labelle states. "We are studying several different types of plans, one of which we expect to propose shortly to the shareholders," he said.

At the company's annual meeting on June 27, shareholders were advised that a plan of capital reorganization would in all probability be submitted within 60 days. At May 1, 1946, dividend arrears amounted to $115.50 per share on the majority of the 20,000 shares outstanding.

* * *

Estimate Consolidated Paper May Earn $1.61 a Share

Based on an analysis of operations for the first six months of this year, Consolidated Paper Corp's operations this year will produce estimated net income, before taxes, of approximately $9.2 millions. After taxes at an estimated average rate of 55% net income of about $4.1 millions, or $1.61 per share common on the company's outstanding 2,563,846 shares is a possibility, observers say.

* * *

American sources report recent sale of 24,643 shares of common stock of **Hiram Walker-Gooderham & Worts** for the estate of the late president, H. C. Hatch.

* * *

National Steel Car Shows Good Earnings Possibilities

One indication of how corporate earnings might have jumped with increased peacetime production is shown by the annual report of National Steel Car Corp. Its net earnings, before depreciation and taxes, were up 77.5% for the year ending June 30, 1946. The company was not troubled by material shortages caused by strikes, until the current fiscal year. To what extent curtailment of operations will affect earnings cannot be foretold, but chairman of the board, H. N. Baird, states:

"We regard the outlook for future business, domestic, industrial and exports, as encouraging, but at the present time, development of new business from all sources, is being seriously affected by unrestful labor conditions retarding a satisfactory flow of essential materials to carry on. Until this situation is adjusted, new business, in all channels, will be difficult; likewise, production of existing contract will be seriously delayed. Even when the present day conditions have been clarified, the necessary flow of materials will be difficult for some time."

Earnings a common share of $1.78 excluding or $2.06 including refundable excess profit taxes were up 26.3% or 39.2% respectively from $1.41 or $1.48 of the previous year. At its current price of about $24 a share, National Steel Car common is about 11.7 times 1945-46 total earnings and yields 6.25% on the basis of a $1.50 annual dividend rate.

Virginia Dare Opens New Shop

Virginia Dare Ltd. will open its first additional postwar unit in its chain of stores—located on Bayview Avenue, Leaside, Ont. — on Sept. 21, President Alfred Stock announces. This increases the company's chain of ladies' retail specialty shops to 21.

Sales for the first eight months of the current fiscal year show a satisfactory increase, it is stated.

Expect Bell Co. Issue 176,000 Capital Shares

MONTREAL (Staff)—It is understood that Bell Telephone Co. of Canada directors will approve this week the issue of 176,000 additional shares of capital stock at $145 a share, the minimum price sanctioned by the Board of Transport Commissioners last week. New stock will be offered to existing shareholders on the basis of one new share for each five currently held.

Based on the present market price of $199 for Bell common, the new stock purchase rights would be worth approximately $9. Here is how this price is calculated:

In the present instance, the shares now outstanding are to be increased by 20%; therefore, for every five shares outstanding with a market value of $995, the company will issue an additional share for which it will receive only $145, giving the six resulting shares an aggregate of $1,140. To arrive at the value per share, it is only necessary to divide this figure by six, which gives $190, or an indicated value of $9 per right.

Any shares not taken up by shareholders may be disposed of in such manner as the directors may determine "at or above the $145 price."

Kerry-Bailey Process Speeds Steelmaking Job

MONTREAL (Staff)—At Dominion Foundries, Hamilton, Ont., the new Kerry-Bailey process (The Financial Post, Sept. 14, 1946), which promises to cut melting time of scrap and pig iron to 20% of normal, ran through another test early this week. The new method, developed jointly by research departments of Steel Company of Canada and Canadian Liquid Air, has solved the longstanding problem of using oxygen to step up heat in the open hearth furnace. Several successful tests have been run at Stelco's Hamilton plant, and now, steelmakers to whom it has been demonstrated, are getting a chance to try it in their own furnaces.

Steelmakers say kudos is due to both Stelco and Canadian Liquid Air since on the development of the method they gambled a lot. Stelco was taking a chance on ruining one of its open hearth furnaces which might have cost $20,000 to $30,000 to replace. Canadian Liquid Air's investment was in the huge quantities of oxygen for the tests.

FRANK KERRY

E. T. W. Bailey, combustion engineer of Stelco and F. G. Kerry, research dept. head of Liquid Air and their staffs were doing pioneer work in a completely new field. Ever since 1920 various technical papers had pointed out the theoretical possibility of using oxygen in the open hearth furnace. But no one had ever put the theory to a practical test. One deterrent was the virtual impossibility of conducting laboratory experiments; it was either a case of experimenting with an actual open hearth furnace or letting it remain a paper idea. Some work had been done on the use of oxygen in blast furnaces (used for melting iron ore) and had met with some success, particularly in Germany. Nothing had been tried with the open hearth furnace.

The germ of the idea of putting the process to practical test started to work on Bailey and Kerry about two and a half years ago. Bailey had his furnaces and one of his big problems was to make as certain as possible that he would still have them once the tests got under way. Even under ordinary operating conditions the tops of open hearth furnaces have to be replaced periodically. With oxygen added to the oil flame the greatly intensified heat and chemical activity might bring the whole furnace crashing down on the melting iron unless the flame were controlled.

Kerry, on the other hand, had to provide enough oxygen to meet the insatiable appetite of the furnace. Ordinarily oxygen is sold by the cubic foot. For steel making, however, it's sold by the ton. It takes about 50 tons of oxygen to keep a furnace operating 24 hours or about 1,200,000 cu. ft. (24,000 cu. ft. to a ton). In addition Kerry and his assistants, Gordon Allen, R. A. Dunn, T. Hugill, went to work on the nozzle which would shoot oxygen and fuel oil into the furnace. In manufacturing oxygen for steel making it is not necessary to insure a 99.8% or 99.5% purity as is the case for other commercial uses. Purity may drop as low as 90% for steel making purposes.

TED BAILEY

Canadian Liquid Air's biggest Canadian plant is located in Hamilton and it has been supplying Stelco along with other manufacturers with oxygen for lancing, welding, etc. For the open hearth furnace tests it was simply a case of piping enough oxygen from the main pipeline into the furnace. The method by which the oxygen and oil are introduced into the furnace is actually the patentable part of the process. Kerry and his engineers have devised a method whereby the flame intensity can be increased, decreased or directed at will to a certain portion of the furnace. It is said likely that the process will be known as the Bailey-Kerry or Kerry-Bailey process.

Tests Began This Year

Actual tests were started in one of Stelco's 150-ton furnaces early this year and last week Bailey and Kerry were ready to announce that the tests had been successful. Probably the most successful feature was the fact that the furnace took the extra heat and still stood up. Steel makers are also watching with interest for the results of this week's tests at Dominion Foundries.

What this means to steel making is that normal melting time of scrap and pig iron has been cut from 10-14 hours to 2-4 hours. Also it means a saving on the fuel oil bill. Just what it will mean to the cost of steel in the end product no one yet is in a position to say. For one thing, open hearth melting is only one process among many in steel making and, as is the case in many another industry, lower cost in one phase does not necessarily mean a cheaper end product. For example, the fact that melting time in the open hearth has been cut so drastically appears to indicate that the blast furnace process which precedes it and the machinery for taking the melted iron away would also have to be speeded up if full benefit were to be achieved.

2½ Times Production

Assuming, however, that steel mills are geared to the new high-speed open hearth process, production could be increased as much as two and a half times. This increase, too, would become effective with comparatively small capital outlay on the part of steel companies.

Before such a thing becomes a reality, however, big low-cost oxygen plants will have to be built either at or in the vicinity of Canadian steel plants. A Canadian Liquid Air Co. spokesman told The Post its Hamilton plant is big enough to supply steel makers in that city with low-cost oxygen. At present ordinary commercial oxygen users will still require the higher-cost pure product. It is pointed out that only big consumers of oxygen, such as steel companies, can make low-cost oxygen possible. If, however, steel companies take up this new process the increased production of low-cost oxygen will subsequently lead to greater demand through its application to new uses.

Capital outlay for a new steel plant could be reduced considerably by using the new process. Where four open hearths were planned to maintain a certain output, only two would be required using the Kerry-Bailey process. The saving of space would be substantial too, as each hearth measures about 30 by 100 ft.

NEW LOUVRE MINES announces that, having regard to cash position and immediate work program, the optional payment due Aug. 1, was extended to Oct. 1.

'Decent Standards' for All CCL Spokesman's Target

Blunt-spoken Pat Conroy Focal Point For Labor Disputes — Commands Respect Even of His Critics

Pat Conroy doesn't expect much respite from strikes and labor troubles, even when the steel strike is over.

Ever since the war ended he's been a focal point for labor disputes in Canada. First, because he's executive secretary of the militant, aggressive Canadian Congress of Labor. Also, since early this year he has been chairman of the wage co-ordinating committee of the CCL.

This committee is described as a "voluntary advisory subcommittee of the executive committee of the Congress." Its main purpose is to "conduct an over-all review of the wage situation throughout the country and make recommendations as to what policies are suitable to the best interests of the several unions which comprise the Congress." Thus as fast as Millard or Jackson or Burt or MacKenzie get their own segment of the Congress back to work with a new wage contract, the chances are there'll be another union on Pat Conroy's doorstep, waiting for advice and counsel.

What are Conroy's qualifications for his job?

Probably these: he's a tough, scrappy, sandy-haired little Scotsman with a lot of common sense, and the ability to strike a balance between CCL pepper-pots like Jackson, and old-line moderates like Mosher and Norman Dowd. For remember, the CCL was born only in September, 1939. It was formed by amending the constitution of the former, all-Canadian Congress of Labor of 1927, so that affiliation with international unions (and more especially CIO unions) could be possible. Thus its leadership runs the gamut of right to left unionism with the latter strongly preponderant and constantly pushing and shoving into the driver's seat. In short, Pat Conroy is in a hot spot even though there aren't any of his member unions howling for higher wages and union security.

Took Hard Way

Conroy worked into the white-collar end of trade unionism the hard way. He was born 46 years ago in the colliery village of Baillieston just outside Glasgow in Lanarkshire. There were 10 children, three of whom died. His father died when he was seven and Pat started work in the mines when he was 13. Meanwhile two older brothers had come out to Canada to work in the mines; had returned to fight in the first Great War. In 1919, Pat Conroy started out on his own for Canada; got a job as a coal digger (his own "trade") in the Drumheller mines in Alberta. He didn't stay in Drumheller but moved with itchy feet across the border and through most of the United States. His wife, by the way, is an American whom he met on the west coast.

PAT CONROY

In the mid-twenties he came back to Canada; became secretary-treasurer of the United Mine Workers local, having worked up through the usual stages of committeeman, recording secretary, etc., and through the local, subdistrict and district councils. In the tough thirties he became vice-president of the UMW western district which covered the three prairie provinces. It was during this period that the UMW split from the AF of L affiliation and lined up with John L. Lewis in the CIO. Thus when the Canadian Congress came to be formed in 1939, Conroy came down as a delegate. The next year he was named secretary-treasurer. He has been in Ottawa ever since.

Has Government Respect

It is a far cry from coal-digging in Lanarkshire to standing before the Canadian Parliamentary Committee on Industrial Relations with a 12,000-word brief on the economics of wage-price stabilization. Pat Conroy hasn't made the jump easily, but he has managed, apparently, to keep the confidence of the rank and file of workers such as those in his own union, and at the same time the respect of top-flight officials in government and elsewhere with whom he has to deal.

Conroy wasn't at his best when he took on the Parliamentarians. This is partly because, barring an argument, he is a word-shy Scot rather than an orator. (Time and again members of Parliament had to ask him to raise his voice so that they could hear his answers). Also, the lengthy, wage-price treatise which he presented, smacked more of CCL's erudite economist, Eugene Forsey, than it did of Conroy's more direct, blunt and forthright line of thought.

Under questioning, some of the Conroy philosophy came out under the prodding of parliamentarians. Thus:

"We have in Canada young unions, mostly in mass industries, where for many years there were no unions at all. As a substitute for a union there were many grades of paternalism with the over-all definite fact that no union should be in there; the employer was God Almighty himself and had the unreserved right to determine the lives of his employees.

"Lid Blew Off"

"This being a democratic country that could not continue forever. The lid blew off. The unions went into these mass industries with their mass problems, their mass tensions, their mass complexes; and when the lid blew off after repression and suppression for many years, in a goodly number of cases the reaction went to the other extreme.

"The reason we (the CCL) have more strikes is because the majority of our unions are young unions. They represent the rising youth of this nation in going out for a new social order instead of staying by the old one. The youth of this country wants something better than platitudes and promises to live on in the future. That is our policy. We are not inherently committed to violating the law any more than the Steel Co. of Canada when with the tacit co-operation of your Government it laid an airstrip in the Steel Co.'s property and the Wartime Prices and Trade Board gave permits for a hotel to the Steel Co. to run a scab stockade. If there are going to be discussions of these things, let us bring out all the factors. When the Government of Canada itself obeys the law we will follow the Government of Canada.

"We believe very sincerely that there is nothing in the economy of Canada, despite its contradictions, to prevent every industry in this nation from providing a decent health and living standard for all workers. We contend it cannot be done by employers standing on one side of the street and the union representative standing on the other side of the street heaving rocks at one another; that it can only be done by each making mutual contributions for the welfare of that industry with Government exercising social control to see that it does not develop into something else."

Conroy doesn't like the idea to get around that he has become a plaster saint since he moved to Ottawa. Not long ago, you remember, he got into a bitter verbal tangle with the Prime Minister when the CCL delegation was making its annual pilgrimage to the East Block. Even so, there are probably a lot of rank-and-filers in the 300,000 workers he represents who think he has already gone too highbrow and pacifist.

Within the next few weeks, after the coming Congress meeting, it may be easier to evaluate his contribution and influence with the Canadian labor movement. Until last February there was little or no attempt to coordinate CCL wage policy. Each union was pretty much a law to itself. Conroy's job as wage coordinator is therefore still very much in the experimental stage. The next CCL elections may indicate how labor valuates his work and whether he and his committee will be given more authority or less. At the moment, Conroy looks to be the best "conciliator" the new mass unions in Canada have thrown up. Do the workers still think so?

Some Stock Groups Show Good Market Resistance

With common stock prices steadying momentarily at least, after their drastic drop of the past month, Canadian investors surveyed their holdings to see how well they had fared in the debacle.

Although the decline in stock prices averaged 17.5% from its May 30 level and 13.8% from its Aug. 15 level as measured by the Dominion Bureau of Statistics index of 100 common stocks, some stock groups showed a much higher resistance to the drop than others. The percentage drop since May 30 and since Aug. 15 in the DBS indexes is shown in the accompanying table. The biggest percentage of the drop (69.3%) occurred since Aug. 15.

In this latter period, five stock groups—oils, textiles, foods, utilities power and traction, and banks—dropped less than the 13.8% average for all 100 stocks while the other five groups—machinery and equipment, pulp and paper, milling, beverages, and building materials—showed larger declines. Two of these groups milling and beverages—were higher on Aug. 15 than on May 30.

Strongest resistance was shown by the stocks of the 13 food and allied companies. Their percentage drop since Aug. 15 was only one third as great as the average and since May 30, just over half as great. Generally speaking, these stocks are bought for their stability and income, as their prices usually do not drop as rapidly or as far as the stock market as a whole; but on the other hand, they do not usually rise as high in relation to earnings or as rapidly as in a bull market.

Second best performance was shown by the eight bank stocks. As they are regarded in the top-grade investment class, their resistance no doubt, partly reflects expectation of increased earnings this year.

Only slightly less resistance was shown by the 14 power and traction company stocks—also generally regarded a stable type of security. Two stocks representing special situations—Brazilian Traction and Winnipeg Electric—contributed the most to their drop although all stocks dropped. Brazilian dropped 4.3% from $24 on Aug. 15 to $20½ a share, Winnipeg Electric lost 20% of its $15 Aug. 15 price to sell about $12 a share.

As might be expected from their dependence on steel, the 10 machinery and equipment company stocks show the largest drop of any group since May 30, but not since Aug. 15. Surprisingly enough, the greatest percentage decline since Aug. 15 is shown by the eight beverage company securities. This index was higher on Aug. 15 than on May 30—largely reflecting the upward movement in Hiram Walker-Gooderham & Worts common, on the announced stock split and expectation of good earnings for the year. But with the suggestion mooted that the market action might indicate a coming depression, all stocks to this group were hard hit with the interlisted Distillers-Seagrams and Walkers being particularly weak largely on account of New York pessimism.

The extremely volatile pulp and paper group of stocks show the second largest percentage drop, emphasizing the strong leverage factor which these securities possess. Traditionally pulp and paper securities fall fastest in declining markets and, conversely, normally show the greatest percentage rise in bull markets ((see special article page 3).

These figures confirm reports of selectivity in buying and there is undoubtedly further selectivity as between stocks in the various groups. The real opportunities both for profits and for minimizing losses, lies in picking the individual stocks. This is a factor which is expected to be increasingly predominant in the stock market.

Following are the figures showing the percentage drop in the DBS indexes for the various stock groups from their May 30 level and from their Aug. 15 level.

D. B. S. PRICE INDEXES

	No. of Stocks	May 30, 1946	Aug. 15, 1946	Sept. 12, 1946	Drop from % May 30	Drop from % Aug. 15
Mach. & equipment	10	210.1	192.8	161.8	23.0	16.1
Pulp and paper . . .	8	287.9	276.2	225.6	21.8	18.5
Milling	4	137.4	140.8	121.0	11.9	14.1
Oils	4	74.6	72.2	64.2	13.9	11.1
Textiles & Clothing	9	212.9	211.0	187.8	11.8	11.0
Food, etc.	13	137.9	131.0	125.0	9.4	4.6
Beverages	8	422.6	447.0	349.5	17.3	21.8
Building materials.	16	168.5	156.3	134.6	20.1	13.9
Utilities	18	140.6	132.8	119.0	15.4	10.4
Power & traction . .	14	112.5	112.1	101.2	10.0	9.7
Banks	8	134.3	132.7	121.5	9.5	8.4
All stocks	100	126.1	118.3	104.0	17.5	13.8

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CNR Would Take Up Option Dating From Turn of Century

From Our Own Correspondent

WINNIPEG—Memories of exciting events of western frontier days were revived here this week by an application of the Canadian National Railways to pay $7 millions into the Manitoba Court of King's Bench. It wrote the last chapter in a 50-year-old railway incident which in its day was the cause of street fights, libel suits, and other kinds of bitter controversy.

The money was to take up an option to acquire the railway line from Winnipeg to Emerson, operated by the old Canadian Northern Railway and its successor the Canadian National Railways, since 1901. Vendors of the property, who received the money, were the Manitoba Railway Company, a subsidiary of the Northern Pacific.

The history of the deal goes back to 1887 when the Manitoba Legislature passed an Act authorizing construction of the Red River Valley Railway. The measure was disallowed by Dominion legislation in July the same year. In 1888, the Legislature passed another Act, practically identical, authorizing construction of a railway line from Winnipeg to West Lynne, at the time a point near Emerson.

In the same year another Act was passed incorporating the Northern Pacific and Manitoba Railway Co. The provincial government sold its franchise and the part of the road which was built, to the new company for $720,000.

The Northern Pacific and Manitoba operated until 1901; then leased it to the province for 99 years. The same year the province assigned its lease to the Canadian Northern Railway.

Rental provided by the lease was $210,000 a year for the first 10 years, $225,000 for the next 10 years, $275,000 for the third 10 years, and $300,000 a year thereafter.

The lease also contained an option under which the lessee could purchase the property for $7 millions. This is the option the Canadian National Railways has now exercised.

In the meantime the Canadian Northern Railway and its successor, the Canadian National Railways, have been paying rents exceeding $11 millions.

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VINRAY MALARTIC MINES reports that hole V-41 returned 1.9 ft. of ore averaging $22.40 at 918 to 920 ft. A 5-ft. section at 160 to 165 ft. gave $1.05; 5 ft. at 450 to 455 assayed $1.40 and 5 ft. at 920 to 925 gave $3.85. Hole V-42, which bottomed out at 836 ft., shows 7 ft. of $3.27 at 213 to 220 ft. A series of intersections between 275 and 549 ft. assayed $1.15 in each case.

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ROYAL EXCHANGE BUILDING CORPORATION LIMITED

NOTICE OF PAYMENT OF BONDS

TO THE HOLDERS OF SEVEN PER CENT GENERAL MORTGAGE SINKING FUND GOLD BONDS OF ROYAL EXCHANGE BUILDING CORPORATION LIMITED.

The Royal Trust Company, the Trustee for the bondholders under the Trust Deed securing General Mortgage Gold Bonds, made by Royal Exchange Building Corporation Limited in favour of The Royal Trust Company, dated the 2nd day of July, A.D. 1928, hereby gives notice that the said Royal Exchange Building Corporation Limited having made default in payment of the principal of the Seven Per Cent General Mortgage Sinking Fund Gold Bonds of the said Royal Exchange Building Corporation Limited issued under and secured by the said Trust Deed, which said Bonds matured on July 2nd, 1938, and in payment of interest on said Bonds, and the said Trustee, pursuant to the provisions of the said Trust Deed, having demanded payment of the principal and interest of all the said Bonds outstanding, the said Royal Exchange Building Corporation Limited has paid such principal and interest to the said Trustee for the benefit of the holders of the said Bonds.

And take notice that pursuant to the provisions of the said Trust Deed the said Trustee will on the 1st day of October, 1946, apply the said moneys in payment of the principal moneys and interest owing upon the said Bonds in accordance with the provisions of the said Trust Deed.

The amount which will be paid by the Trustee in respect of each of the said Bonds is the principal amount thereof, together with simple interest thereon at five per cent. per annum from July 2nd, 1938, to the 1st day of October, 1946.

The amount which will be paid by the Trustee in respect of each of the interest coupons which fell due on July 2nd, 1937, and on January 2nd, 1938, and on July 2nd, 1938, is the stated amount thereof, together with simple interest thereon at seven per cent. per annum from the due date thereof to the 1st day of October, 1946.

Said Bonds and coupons are required to be presented and surrendered for payment on the 1st day of October, 1946, at the principal office of the Bank of Montreal, in the Cities of Toronto, Montreal, Ottawa, Hamilton, London (Ont.), St. John, Vancouver, or Winnipeg, Canada, at the holder's option, or at the office of The Royal Trust Company, 436 Main Street, in the City of Winnipeg, Canada, or at the office of The Royal Trust Company, 66 King Street West, in the City of Toronto, Canada, at the holder's option. Upon such presentation and surrender, payment of the said Bonds and coupons, with interest thereon as above mentioned, will be made by or on behalf of the said Trustee. Bonds registered as to principal must be accompanied by duly executed assignments or transfer powers.

Interest on the said Bonds and coupons shall cease to accrue from and after the said 1st day of October, 1946.

Coupons which fell due on or prior to January 2nd, 1937, should be detached and presented for collection through the usual channels. No interest will be paid thereon.

This notice is given pursuant to the provisions of the said Trust Deed under which the said Bonds were issued.

Dated at Winnipeg, Canada, this 31st day of August, 1946.

THE ROYAL TRUST COMPANY
Trustee for the bondholders.

Yield on Common Stocks 30% More Than at Highs

An investor with cash can now buy common stocks to yield 30% higher than at their 1946 highs, according to an analysis of the stocks of 25 leading Canadian companies made by The Financial Post. Further, he would be buying them at a 20% more favorable times-earning ratio.

Investment advisers expect that investors will place an increasing emphasis on times-earning ratio and stock yields as a result of the present market shakeout. Future buying is expected to be even more selective than in the past.

In the accompanying table the prices of the common stocks of 25 market leaders at their 1946 high and currently are related to their per share earnings for the latest published fiscal year and to their indicated dividend rate.

If an investor had bought one common share of each company at the 1946 high price, he would have invested $1,467.75. On this investment he would obtain an indicated 3.41% return.

Currently, an investor could buy one share of each of these companies for $1,159.38, or 21% less than at their highs. On this smaller investment, he would obtain a 30% higher yield, or 4.43% on the basis of the indicated dividend rates.

These stocks currently are also in a 20% healthier position in relation to their total earnings including refundable portion of excess profits tax for the last fiscal year. At their 1946 highs, the investor would be buying them at an average of 20 times earnings. Currently they average 16 times earnings.

Thus with stocks in a stronger statistical position than three months or so ago, investors have to decide whether the market will continue its bearish action or will rally. Many investment advisers are calling for a rebound despite the bearish signal given by the Dow theory.

Chief factor to retard a rally, both in Canada and in the United States, is thought to be the current and possible future labor troubles. Until these are settled and employees return to work, industry's profits will be adversely affected.

Adding to the general unsettlement, so disturbing to investors, has been the jockeying and lack of cooperation evident in international affairs.

Although granting that the bullish factors of a large backlog of unsatisfied demands and a large volume of uninvested funds were and are still present, many investors liquidated pending clarification of the immediate outlook. As stock prices declined, others sold from pure fright until some selling was described as "panic selling" following the bear signal of the Dow Jones averages.

With stock prices steadying up in the past week, investors are again taking stock of their holdings—relating them to earnings and dividends. This approach is said calming the fears of many but may result in the rearranging of some portfolios, analysts feel.

Following is the table giving the prices, earnings and yield figures for 25 leading common stocks.

	Per Share Earnings*	Indicated Dividend Rate	At 1946 High			September 16		
	$	$	Price $	Times Earn.	Yield %	Price $	Times Earn.	Yield %
Aluminium	15.21	8.00	230	15.1	3.48	168	11.0	4.76
Bell Tel.	9.60	8.00	216	22.5	3.70	200	20.8	4.00
Brazilian	3.16	2.00	30½	9.7	6.56	21	6.6	9.52
B. A. Oil	1.14	1.00	28½	25.0	3.51	25¾	22.6	3.88
Build. Prod.	1.08	1.00	35	32.1	2.86	28	25.7	3.57
Can. Steamships	1.78	1.00	23	12.9	4.35	16½	9.3	6.06
Can. Breweries	1.32	1.50	29½	22.3	5.08	24¾	18.8	6.06
Can. Locomotive	4.83	1.00	46	9.5	2.17	25½	5.3	3.92
C. P. R.	1.98	1.25	24½	12.4	5.10	15½	7.8	8.06
Consol. Paper	.70	.50	23½	33.4	2.13	17¾	25.4	2.82
Consol. Smelters	3.68	2.50†	103	28.0	2.43	81½	22.1	3.07
Dist.-Seagram	1.44	.60	30½	21.2	1.97	22	15.3	2.73
Dom. Bridge	2.27	1.20	45	19.8	2.67	35	15.4	3.43
Fanny Farmer	2.35	1.75	66	28.1	2.65	49⅜	21.0	3.54
Int. Nickel	1.58	1.60	47	29.7	3.40	32½	20.6	4.92
Labatt	1.70	1.00	29¼	17.2	3.42	25½	15.0	3.92
Loblaw "B"	1.33	1.25	34	25.6	3.68	31	23.3	4.03
McColl-Front.	1.62	.50	26½	16.3	1.89	20¾	12.8	2.41
Montreal Loco.	2.57	.80	22	8.6	3.64	17½	6.8	4.57
Moore Corp.	3.14	2.88½	81	25.8	3.56	69½	22.1	4.15
Nat. Steel Car	2.06	1.50	30¼	14.7	4.96	24	11.7	6.25
Page Hersey	1.45	1.25	35	24.1	3.57	30	20.7	4.17
Powell River	1.79	1.20	36	20.1	3.33	29¾	16.6	4.03
Walker-Gooderham	12.26	4.80‡	159	13.0	3.02	122	10.0	3.93
Westons	2.13	.80	36¾	17.3	2.18	26¼	12.3	3.05

*For latest fiscal year reported and including refundable portion of EPT.
†Paid last year. ‡After stock split.

Massey-Harris Operation Mounts Outside Canada

While operations of the Canadian plants of Massey-Harris Co. have been adversely affected by shortages caused by strikes, manufacturing operations of the newly setup British facilities are operating according to expectations, President J. S. Duncan tells The Financial Post. The operating situation of Massey's other plants outside Canada is also improving, he states.

Manufacturing facilities were established in England in 1945 in a leased plant, as a result of restrictions placed by the British Government on licenses for importation of farm implements. Production of "important quantities" of various lines of tillage and haying machinery, planned for 1946, has been achieved.

Rebuilding of the European organization is also progressing well, Mr. Duncan states. In France, the factory is running at capacity, limited only by a shortage of certain raw materials, mainly due to the coal shortage. Production is improving, but demand remains greater than production.

Although the plant at Westhoven, Germany, was completely destroyed, a sufficient amount of machinery and patterns has been salvaged to produce essential spare parts. Operations are on a very small scale, and in temporary quarters.

The operating situation of the U. S. plants is brightening Mr. Duncan states. All factories are at maximum capacities, subject to shortages of raw materials; but operations are still below earlier expectations.

In Canada, the new Toronto plant for mass production and assembly of combines, started operating this month. Massey-Harris had planned to produce 40 combines a day as a starting up program, but owing to the effect of steel and other raw materials shortages, started up at 20 a day. Whether this rate can be maintained or increased depends wholly on supplies, particularly of steel, Mr. Duncan states.

Ford Price Hike Won't Hit Canada

A 6% increase in the U. S. retail price of Ford cars and trucks won't affect prices of Ford of Canada's cars and trucks for a long time, if at all, a company official in Windsor tells The Financial Post.

If the U. S. price boost has any effect at all here, it will be fractionally small. Ford Motor Co. of Canada imports from United States only about 32% of the component parts of its cars and trucks, and the increased cost of these will be less than the 6% retail increase.

In any case, WPTB is busy computing new ceiling prices for Canadian cars and trucks, taking into account the benefits here of dollar parity. The downward scaling expected from WPTB probably will more than offset any increase occasioned by the upscaled U. S. prices.

Ford has been struggling to keep its Windsor plant in production on a three-day-week schedule for over a month, with output about 470 vehicles a day. The same official said the company is scraping the bottom of the barrel this week and he didn't see how it could keep going beyond next week. About 14,500 will be workless if the shutdown develops. The company is also down to its last few hundred tires.

Higher Price For Platinum Assists Inco.

It is estimated that International Nickel Co. of Canada stands to lose between $3 and $4 millions a year from revaluation of the Canadian dollar. But increased income resulting from higher price of platinum alone will more than offset this figure, authorities state.

Since platinum was decontrolled last May, its price in the free U.S. market has more than doubled—from $35 an ounce to about $90. With annual production estimated about 150,000 oz. this would mean roughly $8.2 million additional income for International Nickel. Last year Inco sold 381,741 ounces of platinum metal including palladium which sells for around $24 an ounce, iridium and rhodium, about 125 an ounce and ruthenium, selling now at over $50 an ounce. In addition it sold 1,601,476 ounces of silver and 58,179 ounces of gold.

Although earnings for the first half of 1946 did not quite meet dividend requirements—earned 77c., paid 80c.—second quarter earnings improved substantially at 42c. a share and were the best since 47c. was earned in the first quarter of 1945.

Inco began to cut back nickel production last August and by year end, output was down to only 50% of war capacity. Now with steel production in the United States back at a high rate after the first quarter strike, demand is expected to rise.

The rise in the world price of copper will add to Nickel earnings. Last year it sold 215.7 million pounds of copper. Although the price remains at about 11.5c. a pound in Canada, the price is now 14.38c.-14.5c. in United States, while in the world market it is quoted at 16.38c.

Newsprint Consumption Is Still on Upgrade

MONTREAL (Staff) — Newsprint consumption in the United States still continues far above the corresponding period in previous years, American Newspaper Publisher Association reports for August. In that month, daily reporting newspapers consumed 260,059 tons (202,911 tons in 1945, 224,361 in 1941). During the first eight months reporting newspapers used 1,994,892 tons, an increase of 29.2% from a year before and of 4.6% over the first eight months of 1941.

Labor Roundup

Alta. Miners Take $1.40; Maritimes to Seek Parity

Bituminous coal miners in Alberta have voted 10 to 1 in favor of strike action, the executive of their union, UMWA (CCL-CIO), reports. But the threat has not materialized and is not likely to, as long as their representatives and the operators continue negotiations. Tuesday, they jointly announced they had reached agreement on an increase of $1.40 a day. This in itself virtually resolves any threat of a strike. There remain to be settled the miners' demand for 5c. a ton royalty for a welfare fund—the operators have offered 3c., and for a 40-hour week. Operators are understood to be agreeable to this work-week revision and to have guaranteed an additional eight hours a week at time-and-a-half pay.

Nova Scotia miners, with wage levels below those of the West, are mulling over what to ask when their contracts come up for renewal next Feb. They have indicated they will take a cue from their confreres at Dosco and go after wage-scale parity, to level up Maritime miners' wages with Alberta's.

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Nurses "Resign" For Salary Boosts

Last week, 33 nurses at Belleville's General Hospital, where the monthly salary for staffers is $105, and they work six 12-hour shifts a week (two hours off each morning and afternoon), turned in their resignations when refused $25 a month salary increases. They didn't call it a strike, but the effect was the same. The hospital board rehired all of them three days later on a short-term contract under which they will be paid $125 a month retroactive to Sept. 1, through to Oct. 16. When the contract comes up for renewal, Nurse Thelma Gordon, group spokesman, says they will go after the extra $5 a month plus free hospitalization, a straight eight-hour day, and 12 days' sick leave a year instead of the present seven.

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Ultimatum Ends Kitchener Tram Strike

Kitchener's transit strike was a short-lived affair. It started when the Public Utilities Commission dismissed streetcar despatcher Frank Fluvian, president of the local union, TLC-AFL's Street, Electric Railway and Motor Coach Employees, and replaced him with Oscar Vogt. It ended with an ultimatum to the 80 strikers to come back to work or be discharged. Fluvian, who was dismissed for insubordination, said the commission had agreed not to employ Vogt as a despatcher; and the issue on which the strike was based will be given further consideration.

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Vancouver Stevedores Granted 15c. Increase

National War Labor Board set a precedent for itself last week when it approved 15c. an hour wage increases for 750 Vancouver dockworkers. The board approved a joint application submitted by Shipping Federation of British Columbia and the union, IL & WU (CCL-CIO), under which longshoremen and warehousemen will get $1.25 an hour straight time and from $1.65 to $1.88 an hour for overtime, plus an additional 3c. an hour for work on holidays.

Vancouver's strike-harassed Daily Province had a recurrence of its malady last week. Pressmen walked out and caused a three-day suspension of publication (the paper had already missed publication 46 days in June and July). When the pressmen (International Pressmen's Union) did not show up the fourth day, the paper came out without them. It continues to do so. In spite of orders from international headquarters of their union to stay on the job, the pressmen refused to handle "struck plates."

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Toronto Textile Workers Satisfied

"Fair and reasonable," both Monarch Knitting Co. employees and company officials described their new agreements. Still subject to approval of the Regional War Labor Board, the agreements call for a graduated scale of increases ranging from three to 10c. an hour for 600 employees in one of the company's Toronto plants, increases from one to 11c. for 100 workers in the other. The 700 workers were on strike for nearly two months this summer. The agreements provide for a 44-hr. week in the larger plant, a 48-hr. week in the smaller, and in both mills, workers will earn time-and-a-half beyond 40 hours. The company adopted a paid vacations plan under which workers will get one week after three months' service and two weeks after five years. The workers agreed to a voluntary and revocable dues check-off system.

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Master Agreements Take Precedence

The question of master agreements between Canada's three largest meat packers, Canada Packers, Burns and Swift, and UPWA (CCL-CIO) has taken precedence at the conciliation conference in Winnipeg, presided over by Mr. Justice S. E. Richards. Meanwhile the wage question has been deferred until terms of the overall agreements have been settled. There has been no move on the part of the companies to raise their 5c. offer and the union sticks to its demand for an across-the-board increase of 23c.

C. H. Millard, who once headed UPWA, and the union's present incumbent, Fred Dowling, got into an argument over a comparison of wages in the steel and packinghouse stewards' council of UAW-CIO told ers ought to be paid at least what meat packers get. Dowling replied that with a guaranteed minimum of $33.60 a week for packinghouse workers, they would still be below the average paid workers in steel, logging, mining and pulp and paper industries.

The Alberta Farmers' Union strike may have played hob with UPWA's strike plan. Livestock deliveries to Edmonton packing plants were cut off by AFU picketers and 1,200 packinghouse workers were laid off. If UPWA calls its strike, it will mean putting these 1,200 out-of-work workers out of work. AFU tried to make it up to packinghouse employees by offering them jobs in harvest fields.

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Anaconda Presses For Strike Vote

To ascertain any change in the position of affairs in the grey-haired Anaconda strike, Deputy Labor Minister MacNamara and his chief conciliation officer, M. M. MacLean, met Pesident J. S. Vanderploeg and other Anaconda officials in Ottawa last week. A follow-up meeting with union officials was said likely. It is understood Vanderploeg pressed the department to apply its new strike vote order, renewing his charges that the union has broken its contract with the company and that it is not representative of the majority of employees. Out of the meeting came nothing to indicate the company is any nearer coming to terms with the union (UMM & SWA: CCL-CIO). But there was a hint that the union is considering compromise proposals. Wage increases constitute the union's principal demand; asked, 23c.; bid, 8c.

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Negotiations to Settle Chrysler Strike Open

Cheerful news from Windsor! "Negotiations are to be resumed immediately in an endeavor to reach a settlement covering hourly-rated employees of Chrysler Corp." This announcement by a company official came Tuesday, following a move by the Chrysler local of UAW (CCL-CIO) permitting salaried employees of the company to return to their desks in the plant offices. Since July 16 office workers have carried on in temporary offices in a downtown hotel—the picket line wouldn't let them into the offices at the plant. The union also said anyone having business to do with the company could cross the picket line. These moves marked the first steps toward conciliation of a strike which began June 17 and put 4,000 workers in Windsor and Chatham on the

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Work Progressing At Ontario Hydro DeCew Falls Plant

Excavation for the power house addition to the DeCew Falls plant of the Hydro-Electric Power Commission of Ontario near St. Catharines has been completed, it is stated. Actual construction, beginning with the building of the draft-tube, is now under way.

The new installation, scheduled to be put in service in the autumn of 1947, will double the capacity of the 79,000 h.p. plant operating at 25-cycle frequency.

It will bring total capacity at the station, including that of the older 50,000 h.p. 66⅔ cycle development, purchased by the Commission in 1930, up to 190,000 horsepower.

It is planned to increase the operating head at DeCew Falls from 265 to 280 feet, by raising the head water level four feet and lowering the tail waters 11 feet. The tail race, which empties into Lake Ontario near Port Dalhousie, will be substantially enlarged, entailing excavation of about one million cubic yards of "composite." Up to date about 200,000 cubic yards have been removed, it is reported.

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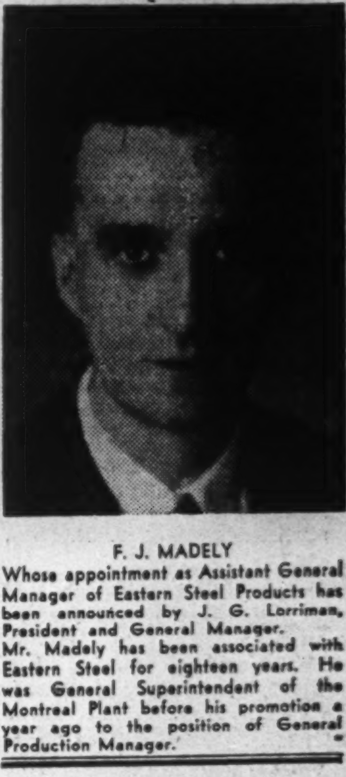

F. J. MADELY
Whose appointment as Assistant General Manager of Eastern Steel Products has been announced by J. G. Lorriman, President and General Manager.
Mr. Madely has been associated with Eastern Steel for eighteen years. He was General Superintendent of the Montreal Plant before his promotion a year ago to the position of General Production Manager.

U.S. Seeking World-wide Airlanes Russia, Balkans, Alone Reject Plan

Special Correspondence

WASHINGTON—With the ultimate goal of a world-wide network of U.S. air lines, the State Department is seeking formal operating rights into and through more than a score of countries, The Financial Post is informed.

The Department hopes to negotiate bilateral air agreements with virtually every country in South and Central America, as well as Newfoundland, Australia, China, the Philippines, New Zealand, and the Union of South Africa.

Urgent need for the agreements—which, in effect, authorize an exchange of traffic rights between the United States and other nations—is seen, now that the Civil Aeronautics Board has awarded routes in the last international case on its books. It has certified 11 United States carriers to operate in the foreign field, but not all of these may enter the designated countries until an air agreement is signed by the governments concerned.

Thus far, State Department efforts to obtain air rights in Russia, the Balkans, India and Mexico have been fruitless. Russia and the Balkans have been given up as hopeless for some time to come; but another attempt is being made at an understanding with Mexico, and a special mission is now in India, aiming to negotiate air rights there.

The Department has, meanwhile, obtained operating privileges for American flag carriers in some 19 countries. Bilateral agreements grant 18 foreign nations the right to fly to key traffic centres in the United States. Only Saudi Arabia has granted operating rights to this nation's air carriers without seeking reciprocal privileges.

Ireland, Spain, Egypt, Greece, Turkey, Lebanon, are not yet utilizing their traffic privileges . . . principally for the reason that their overseas air organizations have not been established. Other countries are operating air lines to the following points:

1. Canada—New York, Boston, Chicago, Cleveland, Seattle, and Duluth.
2. Great Britain—New York, Chicago, Philadelphia, Detroit, Washington, Baltimore, Boston, New Orleans, San Francisco, Palm Beach, and Miami.
3. France—New York, Chicago, Washington, Boston.
4. Sweden, Norway, Denmark and Iceland—New York and Chicago.
5. Switzerland, Czechoslovakia, Portugal, the Netherlands, and Belgium—New York.

Latin-America Main Target

Commercial air carriers of the United States have, at the same time, landing rights in each of these countries. The U.S. flag lines certified by CAB include: American, Braniff, Chicago & Southern, Colonial, Eastern, National, Northwest, Panagra, Pan American, TWA, and Western.

Most of these air lines were designed to operate in Central and South America. Several South American companies have indicated a desire for traffic privileges in the United States; while CAB air route designees hope for similar privileges in those countries which have been serviced almost exclusively by PAA.

Since State Department policy is clearly opposed to agreements between companies and nations, and since no company is in a position to grant operating rights here to a foreign country, the Department is trying to negotiate in Latin America on a government-to-government basis.

In China, conversations are now under way toward a formal agreement. Numerous war-built airports there are deteriorating, and the Chinese are reported willing to swap landing rights for foreign aid in repairing the airfields.

Early pacts are expected with Australia, New Zealand, and Newfoundland, among others. In the latter two countries, only tentative landing rights are in effect at present.

Windsor Controllers To Buy in Debentures

WINDSOR — Authority to purchase City of Windsor debentures has been delegated by City Council to Board of Control. Offers of bonds for sale will be received by R. J. Moore, financial adviser and budget director.

Council's action in passing a bylaw ended a dispute between aldermen and controllers over a recent transaction, the aldermen contending Board of Control acted without authority.

At the same time, Control Board and Council disbanded the debenture-purchasing committee established to advise Control Board. In future, the board will be free to seek advice from any competent source.

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The Editorial Page

He Hurts Democracy's Cause

The cause of the democracies has been badly hurt by the President Truman flip-flops on the Wallace speech. It is still anything but clear as to what foreign policy Truman and his administration does support.

Truman's intimation to the world that America may not support Byrnes' get-tough-with-Russia policy, that the mailed fist may be just a papier maché mockup, can have gravest consequences.

The history of our times reveals very clearly that Hitler's aggressions and mounting bellicosity were fostered by the Nazi conviction that Britain wouldn't fight; that there was no point at which Britain would stand firm. Now the Russians are invited to take the same view by the Truman performance.

Wallace is of course entitled to his opinion but the incident is shocking if one important factor involved is that being discussed by some political observers.

The lines of battle for the 1948 U. S. Presidential election are now being drawn. Truman can be expected to want and probably to get the presidential nomination. But who is to run for vice-president? Wallace and Byrnes are two names at the top of the list of probables.

Wallace, as well-established leader of America's pie-in-the-sky leftist groups generally would clearly be an appealing figure to these big segments of U. S. voters rather than the conservative Byrnes.

Truman could rightly be concerned about the fast-growing stature of Byrnes, who has been making rapid strides in establishing himself as perhaps the biggest and most statesmanlike figure in the present administration.

And there is another odor of politicking in the incident.

Isolationism forms no part of the creed of the men (like Dewey and Stassen) who currently stand high on the list of probable nominees by the Republican party, the historic fold for U.S. isolationists.

It would be quite logical for the Trumanites to attempt to corral this big actual and latent vote; give it a new roosting place within the Democratic party. And the Wallace speech is just a blatant kind of latter-day isolationism.

So it may be that the Truman waverings on this matter have been successful politicking. But for the democratic world, the consequences can be tragic.

They Do Fine Job

The more than 300 men from all over Canada who met at Halifax last week represented one of the Dominion's most important and most useful institutions. They were delegates to the Canadian Weekly Newspapers Association which has 611 member papers.

On the health and vitality of local municipal government depends the health and vitality of our provincial and national governments.

Nothing can so much contribute to virile functioning of community life as the local community paper which conscientiously and sagaciously comments on local affairs.

These annual association meetings serve an immensely useful purpose in recalling to these community publishers their big responsibility and their high place among our institutions.

Among the trials of publishing in a modest or small community is the taking of sides on important issues. Truman's friend, George Allen, tells the story of the local man running for sheriff in a community which was about equally divided on a law controlling squirrel hunting. The candidate carefully dodged the issue time and again. Finally, he was pinned down on a public platform.

Where did he stand on the squirrel law. His reply: "Well, I understand that half of my friends are in favor of the squirrel law and half of my friends are opposed to it. I want it definitely understood that I'm for my friends."

The anaemia that imperils the community press is that its policy is just being "for its friends"; that it falls into the easy and comfortable way of saying nothing that offends anybody. Nothing is so dangerous for its future. Fortunately, many of the weeklies do an outstanding service.

Very Odd Procedure

Those charged with making and enforcing Ontario company law should have been at last week's meeting of Yellowknife Gold Mines. The events of that meeting and their implication for all shareholders are disturbing.

It will be recalled that lengthy argument and litigation finally resulted in Ontario's Chief Justice McRuer ruling that the common directors of Yellowknife Gold and Bear Exploration "in bad faith took advantage of their fiduciary position to Yellowknife to promote the interests of the Bear company in which they were then or shortly after became substantial shareholders, all to the great detriment of the Yellowknife company."

Accompanying this decision was a court injunction restraining the directors of Yellowknife from acting in that capacity. In effect, the Court said: "Call a meeting of shareholders, that's all. You're out."

But this is what happened.

H. R. Swanson, Yellowknife vice-president, took over—endeavored to direct the entire meeting. He declared motions carried on a show of hands which, on the count of various responsible people present, were defeated by about three to one.

Mr. Swanson decided "to handle this myself" when it came to counting ballots and requests for a scrutineer were refused.

Announcement of the result of balloting was delayed because Mr. Swanson did not chose to make a verdict on the voting. He claimed that certain unspecified ballots were in question, that he would have to confer on the matter after and outside the meeting

The fact that the McRuer judgment is being appealed does not excuse this unusual, unsatisfactory method of conducting shareholder meetings.

Among Those Absent

To the County Hall in London, England, next month will go the leading tourist officials from more than 15 nations, from Europe, America and the Antipodes, but not from Canada. Canada, as a potential power in the tourist world, was invited; but Ottawa chooses to send no delegate to this International Conference of National Tourist Organizations. If we are represented at all it will likely be by someone attached to Canada House, London, and not by a man who knows the business here firsthand.

Up for discussion at the week-long meeting will be such topics as the handling of passports and visas, customs and immigration, currency control, and the formation of a permanent international tourist organization. Participation in these discussions would not only mean direct benefits to Canada in terms of a better understanding of international travel problems; it would mean enhanced prestige among the world's tourist leaders. And a nation such as Canada which, to say the least, can put its international credit balance to good use, should do nothing to detract from what prestige has already been attained.

Resolved the Senate Standing Committee on Tourist Traffic one month ago: "That the development and permanent maintenance of our tourist business should be planned on a long-range view. . . ."

If a permanent world tourist organization emerges from this London meeting, Canada should have a place on its executive. In fact, a part of the world that has so much to offer globe travellers should be in a position to claim a key spot in any such group. How can we expect any recognition at all if we don't see fit to send a delegate from Ottawa?

Grocery Store Harpies

A happily insulting name has been coined by the Peterborough Examiner to cover that tribe of socially depraved Canadians, the women who gang up on grocery store clerks to buy in hoards of hard-to-get-stuff they don't need. Going back to the Greeks, the Examiner dug up that myth about the Harpies. They were thoroughly unpleasant birds with faces of women, noted for the way they hung about until hungry men prepared to eat, and then swooped down and stole all the food in sight. Just the way, some grocery store managers report, certain shoppers habitually lurk in sight of empty shelves until the daily refilling, then pounce before the wants of legitimate shoppers can be satisfied.

And so, "Grocery Store Harpies."

Some of these 20th century Harpies are pretty efficient birds, too. A glance into their nests would show stacks of soap, shortening, toilet paper, canned goods, and all those other items in short supply but not under rationing regulation.

In many instances buying by these Harpies is responsible for sharply aggravating a critical supply situation, pushing a temporary regional shortage into a drawn-out problem and spreading it across the country. They take rumors and blow them up into reality, probably create some of the rumors on their own hook.

Worst feature of the Harpies is that they cannot be branded illegal without recourse to ration procedures; and these are not to be recommended except in the extremest of cases. It's purely a matter of social conscience, and the Greek Harpies didn't have a word for that one.

Necessity Invention's Mother

Writing of his early manhood as a Mississippi river pilot, Mark Twain relates his experience with the closed shop.

River boat pilots formed a union, which became so strong and well disciplined that pilot fees reached fabulous heights. The union became the real dictator of river traffic.

Finally the union seemed to have all its battles won, to have the situation completely in hand. A certain and rich livelihood with utopian working conditions seemed finally assured for all members.

Then the blow fell. Railroads lured away passenger traffic. To beat excessive pilot costs and to meet growing competition, single tugs towing a dozen great barges were introduced and, says Mark Twain "behold, in the twinkling of an eye, as it were, the (pilots') association and the noble science of piloting were things of the dead and pathetic past."

There is an obvious link between that record of the past and last week's report that a Canadian firm has hit upon a way to produce window glass without soda ash.

Strikes have choked off the soda ash supply completely. Necessity is indeed the mother of invention, hence the new process.

We wonder if people who call strikes and make unrealistic wage and other demands ever think what they may be doing to abolish or to speed the disappearance of their jobs. They remind us of a boxer with a lightning left uppercut. He let go for "the kill" and knocked himself out—cold.

What is Democracy

For democrats everywhere, and particularly for some of our labor leaders who are promoting lawlessness, and who impose the grossest form of dictatorship in conduct of union affairs, there is important warning and advice in a recent statement of Australia's Foreign Minister Evatt.

A Swiss reporter at the Paris Peace Conference asked Mr. Evatt: "Men are fighting in various parts of the world and invariably the word 'democracy' is used by both sides to define their motives. Mr. Evatt, What is democracy?"

Evatt's spontaneous and unrehearsed reply was superbly put. He mentioned that democracy means every man and woman has the right to vote; that there must be more than one candidate on the ballot; that the right of free nomination is vital. He continued:

"After a government is elected by the people, democracy means that the verdict of the people must be respected by the people. To try and get rid of an elected government by violence or for the government to get rid of its opposition by violence, that is the very antithesis of democracy. It is part of the democratic process to accept defeat until that defeat can be reversed by constitutional means . . . Those who are of the opinion that the elected government is doing the wrong thing must have the right to say so, to express their opinion freely even although their opinion is wrong.

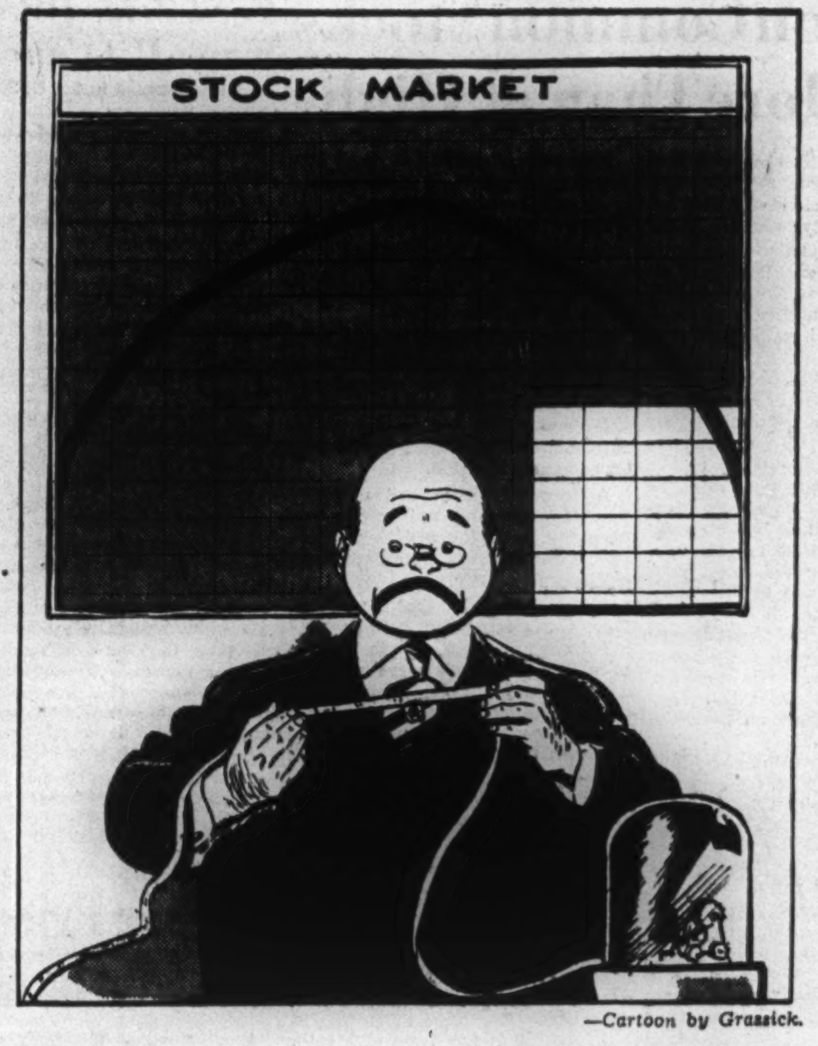
"Democracy means the duty 'to take it' as well as the right to 'dish it out'."

Ontario's courts have been crowded recently with strike offences, cases of violence, intimidation, watching, besetting and so on. The law is very clear as to what may and may not be done in the prosecution of a strike.

But many labor leaders cry out violently against these trials. They say that strike law is old and out of date, hence should not be enforced. At least by implication, some of these people seem to hold that any law enforced against them is bad; that they should have the right to beat and intimidate, and smash and sequester property.

They say in effect we will obey only those laws we like; we shall disobey when it suits us.

Labor leaders have a right to their opinion that strike law needs amendment. But let them seek that amendment properly. Let them remember "Democracy means the duty 'to take it' as well as the right 'to dish it out.'"



—Cartoon by Grassick.

Post Scripts

"Most Polished" Diplomat

The Hon. Humphrey Hume Wrong, Canada's new ambassador to Washington, is probably Canada's most polished diplomat. Some find his manner cold, "brittle." He thinks and speaks much faster than most people and some think this is a "hurry treatment" to get them out of the well-groomed presence. "He does not suffer fools gladly" is the way another put it. His successes and his friends in the diplomatic services of other countries indicate, however, that he gets along well.

MR. WRONG

In and about Toronto, where Hume was born, the Wrong family has stood for everything that is correct and erudite for at least the past 60 years. Hume is no exception to that rule.

George Wrong, Hume's father, was one of Canada's greatest scholars. Starting out originally to enter the Anglican ministry, Wrong Senior took church orders but in the early 1880's he joined the University of Toronto to teach church history. This led to his more than 30 years as head of the department of history.

Hume Wrong took classics at the university, graduating in 1915. Due to a boyhood accident which cost him the sight of his left eye, he was refused admission to the Canadian Army. He went to England and was promptly offered a commission in the British Army.

After the war he got a Flavelle scholarship and settled down to post-graduate studies in Oxford. Armed with a degree of B.Litt. from that institution, he returned to Toronto and joined the department of history, U. of T.

For nearly six years there were two Wrongs on the history staff. Father George retired in 1926. In 1927 Vincent Massey asked son Hume to join him at the newly opened legation in Washington as first secretary.

Since then his progress has closely paralleled that of the growth and development of Canada's Department of External Affairs.

Wrong has served successively as permanent delegate to the League of Nations, economic adviser to the High Commissioner in London, minister-counsellor in Washington and more recently as under-secretary of state for external affairs at Ottawa.

At Ottawa some of his best work has been done when his former chiefs, Prime Minister King and Norman Robertson, were out of town. Those who know his work say he has exceptional ability as an administrator and with his chiefs away he shows top speed in getting desks cleared of accumulated problems. This will stand him in good stead at Washington where increasingly the post of Canadian Ambassador is administrative.

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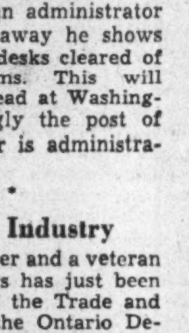
At Service of Industry

An industrial engineer and a veteran of the two great wars has just been appointed Director of the Trade and Industry Branch of the Ontario Department of Planning and Development. He is Brantford-born, Frederick John Lyle, and nicknamed Pat. His main job will be to offer service to manufacturers and traders desiring to develop export and import trade, to encourage the establishment of new industries in Ontario and to gather and compile special industrial statistics for industry and government.



MR. LYLE

Lyle comes to his new position from London, England, where he was Trade and Industrial Commissioner at Ontario House. There he was on the other end of industrial moves between Ontario and Great Britain and he is credited with bringing a number of British industries to Ontario.

Lyle received his early education in his native Brantford. As the first great war was on when he was through high school, he joined the Army instead of going to university, served with the infantry and won his commission. On his return he took a science course at the University of Toronto, graduating in 1923. His first job was with the Beardmore leather company at Acton, Ont. Later he joined the staff of the Toronto Industrial Commission but went back into the leather business later. When the last war broke out he enlisted with the Royal Canadian Electrical Mechanical Engineers, serving in Canada, France, England, Belgium and Holland and ended up as head of this group of specialists in the First Canadian Army. Last year he was appointed Trade and Industrial Commissioner at Ontario House where he remained until transferred to Toronto.

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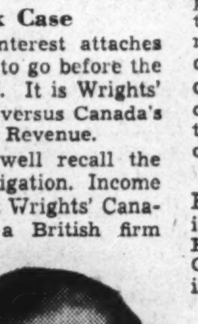
Fights Tax Case

More than usual interest attaches to the case scheduled to go before the Privy Council Oct. 12. It is Wrights' Canadian Ropes Ltd. versus Canada's Minister of National Revenue.

Post readers will well recall the background of this litigation. Income tax officials ruled that Wrights' Canadian contract with a British firm called for what it considered too liberal a royalty. Using their enormous discretion, tax officials slashed the amount chargeable as a business expense. Wrights' appealed the ruling and finally heard the Supreme Court give tax officialdom a verbal lashing of astonishing vigor. Dissatisfied with the implied victory which the Supreme Court give Wrights' Canadian, tax officialdom is now contesting the issue again before the judicial committee of the Privy Council.



MR. BRAY

The Canadian solicitor, now en route to London to handle Wrights' side of the case, is Harry Randle Bray, K.C., of Vancouver. Born in Oakville, Ontario, Bray's family took him to British Columbia at an early age and he got his early education at Nanaimo. He returned east to the University of Toronto and Osgoode Hall. Selected Rhodes Scholar for B. C., he attended Brasenose College, Oxford, and a sojourn at Heidelberg University abruptly ended when he declined drinking a toast to Der (1914) Tag.

He was soon back in Canada, joining up with the 10th Siege Battery, recruited primarily from McGill University Students. Among his battery comrades were many whose names are now bright in the business and political firmament, Brooke Claxton, Earl Spafford, president Imperial Tobacco; George Bourke, managing director Sun Life Assurance; Mr. Justice Fairweather of the New Brunswick Supreme Court; Mr. Justice Anglin of the Admiralty Court to mention a few.

Following the war Bray returned to law in the Pacific province and for two years was dean of the B. C. Law School.

Since this appeal was arranged, the Exchequer Court judgment in the Pure Springs case throws another pail of oil on this whole blazing controversy of the discretionary powers of tax officials. In that judgment, reported recently in The Post, Mr. Justice Thorson, in effect, upheld the right of tax officials to do what they did in the Pure Springs and in the closely similar Wrights' Canadian case. Thorson, furthermore, spanked the Supreme Court for what it said on the Wrights' matter.

Whatever the outcome in London, Bray feels he is fighting a battle of immense importance to all taxpayers. Because of its widespread concern to Canadian business, more than usual interest will attach to its outcome.

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Stop Me If—

Percival: Daddy, do they raise political plums from seeds?

Daddy (who never had one): No, young man. Political plums are more often the result of a bit of clever grafting.

• • •

"All members of the congregation who want to go to Heaven stand up."

All rose except one man.

"What! Don't you want to go to Heaven?"

"Not immediately."

• • •

A judge had given his decision on a case, and counsel for plaintiff rose and questioned it.

"I cannot allow you to reopen this case after I've given my decision," said his lordship.

"Then, judge, I may as well sit down," returned the lawyer. "It's no use knocking my head against a stone wall."

"Sir, I know it is no use knocking your head against a stone wall," returned the judge. "But I know no other who could perform the operation with less personal injury than yourself."

Britain Has 1,172 Wildcat Strikes

Wildcat strikes are becoming a major problem in Great Britain. Here is a useful roundup of the strike picture there by the new weekly news magazine of world affairs, World Report.

British strikes still aren't as bad as in the U. S., but "unofficial" walkouts—where men leave their jobs against the advice of union officers—are building up a major problem for Britain's labor government.

The closed shop, new to labor relations in Britain, is the big issue now and one that can involve Britain's nationalization program.

Recent strikes and labor disputes have upset meat distribution, blocked milk deliveries, cut gas supplies to the point where the wartime blackout returned to miles of streets and threatened to disrupt London's transportation system.

No major industry has been completely tied up through union-called strikes. The significant difference in Britain's strikes, from those in the U. S., is that rank-and-file workers are showing an increasing tendency to leave their jobs, frequently at a time when union leaders are in the midst of negotiations with management.

Underlying many work stoppages is a basic economic unrest in Britain due to the fact that wages for most workers have not kept abreast of prices. Other factors adding to the restlessness of workers are the long absence of vacations, the retention of the 44-hour week in most industries and the shortage of decent housing for laborers.

Wages of British workers have risen 65% for men and 84% for women since 1938, but demand for new increases still underlie many labor disturbances. Another factor is a desire for security benefits, such as a guaranteed minimum wage, a 40-hour week and payment during sickness.

Unofficial strikes are causing speculation whether labor leaders, now tied closely to the Labor government, are losing their close link with the rank and file of workers. In the first six months, 1946, Britain had 1,173 strikes. Most of them were small but only one was called with official sanction of the union leaders.

Here are examples of things British workers strike for:

Gas workers in London struck for a raise of four cents an hour. They did not have backing of union leaders. They did not return to work for a week. Meanwhile the blackout returned to 1,400 miles of London streets. Hospitals, homes and hundreds of industries had insufficient gas to meet their needs.

Milk workers, striking for higher wages tied up the main source of London's milk supply.

Meat workers walked off the job to protest the hiring of three nonunion laborers.

Dock workers at Southampton went on strike when the number of loading gangs on duty was reduced.

Power workers at London Electrical Supply Co. walked out over the hiring of one man who had been expelled from the union.

Freight workers on one railroad struck when two men were threatened with prosecution by the company for stealing two tomatoes.

Back of such walkouts in many cases is a history of slow negotiations over working conditions. In some instances, wage talks have gone on for months with little progress. An "unofficial" strike is called, an agreement is reached in a week. This has become the pattern and rank and file workers, recognizing it, are willing to risk what disfavor may come with public inconvenience to speed action on their complaints.

The closed shop may become the basic issue that will bring the Labor government and its nationalization program into the situation.

The issue came out into the open when members of the big Transport and General Workers Union refused to work with members of the National Passenger Workers Union on London's buses and trams.

Faced with the possibility of a transport tieup in London, the Transport Board granted a closed shop to the Transport and General Union and ordered dismissal of members of the other union unless they joined the Transport and General.

What Others Are Saying

Editorial of the Week

When Farmers Strike

The Winnipeg Free Press

Three of the four demands (of striking western farmers) involve the granting of new bonuses or tax exemptions to one section of Canadian citizens who, in the next breath, insist that they should receive new guarantees of higher floor prices for their wheat and greater returns for other branches of farm produce. If every group in Canada, whether industrial or agricultural, pursued this policy of asking for lower taxes and higher returns, the demands on the federal treasury would never cease.

Besides, the striking farmers and their leaders seem to have ignored completely the place of price control in the economy of Western Canada and the whole nation. The cost of living would have rushed out of sight had it not been for these checks on inflation. To ignore this fundamental fact while raising a cry for higher returns is the essence of irresponsibility.

As for parity prices, this is a mere slogan. It is incapable of exact or scientific definition. It means different things in different countries. The Government has always argued, and shown by the record, that farmers gain better returns from policies now in force than they would from the vague policy of parity prices advocated by Conservatives, Social Creditors and to a slightly lesser extent by the CCF.

To the extent that the parity policy has been applied elsewhere it has entailed control of production and the rigidification of the agricultural economy. Either or both of these consequences would be disastrous for western Canada which, more than any other great agricultural area in the world, must strive to meet the changing needs of the world and to compete in world markets.

By striking now and prolonging the non-delivery of farm produce these misguided farmers run the risk of keeping food from hungry Europe, aggravating existing shortages, and building up inevitable resentment against this country from which they themselves, as well as the rest of Canada, will suffer. Surely this is a policy which reason condemns and conscience forbids.

The strike should be called off at the earliest moment so that arbitration and reason can mediate the issues in dispute.

Other People's Views

HOW CAN THERE BE any legitimate objection to the Labor Minister's proposal for a secret ballot on acceptance of steel terms, says the **London Free Press.** "Union leaders are loud in their praise of democratic procedure and surely nothing can be more democratic than a secret ballot and nothing less democratic than acting on a show of hands or a standing vote. Labor disputes are matters affecting not only the employees and employers, but the whole community. There must be greater responsibility all round in the manner in which they are conducted."

DON'T GO SO FAST with your socialization plans, **The Regina Leader-Post** tells the Saskatchewan government. It refers to the Attlee government backdown on its plans to nationalize the British steel industry. "Clearly the Saskatchewan government could take a page from this same book of Labor government experience and benefit from the lessons supplied. Right now with unholy haste this province is being rushed into a hospitalization scheme before the groundwork is anywhere near ready. Premier Douglas should be cautioned against launching this province on such an ambitious scheme before even the physical hospital plant itself exists, let alone a sufficiency of doctors and nurses and an adequate measure of public understanding and acceptance."

HAMILTON LAWLESSNESS HURTS Hamilton workers, says the **Montreal Gazette.** Referring to a Steel Co. hint that further plant expansion may be undertaken in another part of the country, the Gazette quotes President Hinton as saying: "The disregard for law and order in Hamilton during the past eight weeks is enough to discourage plans for extension in Hamilton and other communities will be on the alert to profit from the situation."

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Los Angeles: Duncan A. Scott & Co., 448 South Hill St., Mich. 0921.
Subscription Terms: Single copies, 10 cents. Yearly: in Canada, United States, Mexico and British Empire, $3; all other countries, $6.
Advertising Rates: Single insertion, $4.20 per inch. Contract terms upon request.
Authorized as second-class mail, Post Office Department, Ottawa.

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Printed and Published by
MACLEAN - HUNTER
Publishing Company Limited
481 University Avenue, Toronto 2

JOHN BAYNE MACLEAN, Founder and Chairman
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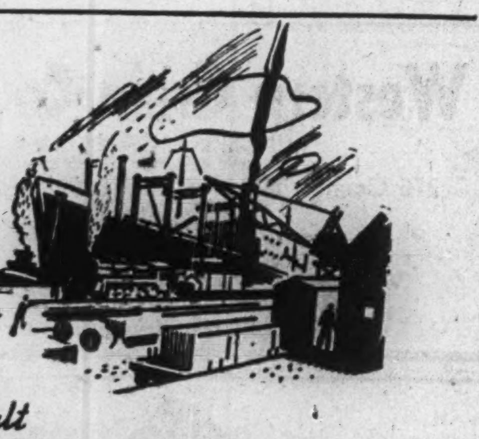
OTHER SERVICES: The Financial Post Corporation Service, Canadian Press Clipping Service.

Other MACLEAN-HUNTER offices:
MONTREAL Centre 2: Dominion Square Bldg., Marquette 2331.
NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7888.
CHICAGO 6: 309 West Jackson Blvd., Harrison 7890.
LONDON: Maclean-Hunter Limited, British Columbia House, 1, Regent Street, S.W.1, Cable, Atabek.

Sept. 21, 1946



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LONDON CALLING—*By Adelphi*

Radio Blunder Brings Losses Every Knock a Boost for Churchill

LONDON—On Sept. 12, 1846, Robert Browning ran off with Miss Barrett of Wimpole Street. The poet was some years younger than the lady but he was an impetuous fellow and he stole the lady from under her tyrannical father's very nose.

They went to the district of Marylebone, where Dickens used to live, where Sherlock Holmes had his flat and where Madame Tussaud's wax works hold their pallid sway. They asked the Vicar of St. Marylebone Parish Church to marry them, but as they were Nonconformists he handed them over to an assistant, who made them man and wife. It was not regarded as a proud moment in the life of the Church.

But time, especially 100 years of it, brings many changes. A few days ago the rector of the church sent out thousands of copies of a handsome brochure, well illustrated, telling all about the wedding in 1846 and suggesting that recipients send him a contribution toward a new memorial chapel to commemorate the great event. Everyone in Marylebone was very pleased and for a few days the Brownings filled the newspapers and, no doubt, the coins came rolling in.

Unfortunately for the well-meaning clergyman, there is an institution known as the Browning Society and it raised both its eyebrows and its voice. With the tenacious memories of people who join societies, it has just declared that the Brownings had no association with the Marylebone Church which, indeed, they used as nothing more than a registrar's office.

I feel sorry for the rector. It is bad enough when one fish gets off the hook, but when two get away, then it is something to grouse about.

• • •

London Market Sags But Not Alarmingly

The London Stock Market has not proved so immune from Wall Street influence as last week. It has sagged in sympathy but not to any alarming extent. The brokers are very angry and have made an official protest over an inexplicable blunder of the B.B.C. In an afternoon news bulletin, it repeated the announcement of the day before that the Wall Street prices had dropped from 1 to 17 points over a large range of equities. This was assumed to be fresh news which, added to the previous day's drop, made it very serious indeed. Thousands of investors sold out here under this false impression and took heavy losses.

• • •

A London evening newspaper stated that the reason Viscount Alexander did not address the Canadian Club of Toronto in French was that he does not feel that he speaks the language well enough.

There must be quite a number of the boys, though, in Toronto who understand English.

• • •

If any more keyhole, hotel lobby, bedside warriors in the U. S. A. attack Churchill much more, the British people will make him Prime Minister again.

• • •

Rumors become more insistent that there is internal trouble in Russia.

• • •

The T.U.C. is not feeling happy about the demand for the closed shop. Both the T.U.C. and the Socialist Government would like to abandon the project, if it could be done without loss of face.

• • •

Deluge Finally Abates Hope to Salvage Crops

Last Sunday in the churches and in the fields there were prayers for good weather. Most of Sunday it rained relentlessly, but since then it has been better weather. Hopes of saving a good proportion of the harvest are rising.

Londoners have never been so free from bronchial trouble. Reason is that the streets are so frequently washed by rain that there is no dust.

• • •

Next week a sensational murder trial will take place when a handsome ex-airman named Heath will be tried for two terrible murders of young women. It is one of the curious anachronisms of British law that by the time the coroner's court and the police court have finished with the preliminary hearings of such a case as this, it is impossible to empanel a jury with an open mind.

• • •

Lord Kemsley and his wife have been visiting South America. I have seen it suggested that he is going to acquire newspaper properties there but it is unlikely that he will add to his newspaper kingdom, which is already so large that it is unwieldy.

• • •

Communist Coup Puts Government 'On Spot'

In the nearby Borough of Kensington there has also been trouble. Kensington is a fashionable borough, the Soviet Embassy being one of its finest houses, and it has a large block of luxury flats (rents £10 to £15 a week), which were taken over by the Ministry of Works early in the war.

Last week the Ministry officials moved out, and on Sunday the flats were occupied by "squatters," under the organized leadership of the Communist Party. There was no furniture in the flats but the people brought their beds and the odd chair. The police were helpful and did not try to obstruct them.

This is the climax of the movement called "The Vigilantes" which started eight or ten months ago in Brighton when returned soldiers took over empty houses without asking anyone's permission. The movement spread but was eventually crushed. Then about a month ago hundreds of families suddenly occupied abandoned army huts. The Government condoned this and even arranged to supply housekeeping facilities.

The Communist Party saw a chance to be in on a good thing and carefully organized the raid on fashionable Kensington. The dilemma of the Government was of course, acute. To turn these homeless or semihomeless people out of empty flats would make the Government seem callous. But not to do it would mean the condoning of illegal possession of other people's property. After all, if a crowd of people, no matter how desperate their need, can take a house or a block of flats, then why not demand furniture from neighboring houses and flats—then clothes, food, money and all the rest of it? Sentimentally it might be justified but it would be a reversion to the illegality of the jungle.

On the whole, the Communists will gain some sympathy from those who think with their emotions, but actually they are doing no more than play their usual role of enlarging every grievance and encouraging disorder.

12 Toronto Suburbs Take Up Porter's Master Plan Scheme

An all-in master plan for development of the entire Toronto metropolitan area of 13 municipalities is the object of a Toronto and Suburban Area Planning Board being formed this week under auspices of the Ontario Dept. of Planning, authority of the 6-months-old Ontario Planning Act 1946, and direction of Toronto City Council.

Earlier Toronto master plans had foundered on lack of inter-municipal agreement but the new provincial planning act came to the rescue last spring with sponsorship of joint planning for metropolitan areas. Toronto now has taken advantage of the new measure's provisions (The Financial Post June 1). On nomination by affected municipalities and Ontario Planning Minister Dana Porter, the following this week are being named to the joint board:

Representing suburbs: York County Warden and Forest Hill Reeve **F. G. GARDINER, K.C.**; Etobicoke Planning Board Chairman **W. A. ARMSTRONG**; Face-Elle Co. President **WILLIAM S. GIBSON**; and **FRED KEMP**, solicitor, who will retire from North York council on confirmation of his appointment to the joint planning board. Suburbs represented are towns of Leaside, Mimico, New Toronto and Weston, villages of Forest Hill, Long Branch and Swansea, townships of Etobicoke, Scarborough, East York, North York and York.

Representing city (members of the existing Toronto Planning Board): **JAMES MAHER**, chairman, **E. W. BICKELL, RICHARD A. STAPELLS, C. J. WOOLSEY, MRS. H. L. LUFFMAN, HARRY ADDISON, MAYOR SAUNDERS** (ex officio).

With London, Windsor and one or two others making similar joint plans the Ontario metropolitan area planning scheme is seen being taken up in a big way. The Toronto area's eleven-man board will study integration of planning on problems similar to those faced in Windsor and London areas: (1) land use, industrial, agricultural, residential and commercial areas; (2) trafficways and communications generally; (3) sanitation and sewage; (4) green belt, parks; (5) public transportation. In the Toronto area, drainage, water supply and sewage disposal problems may be among the first considered.

To keep the suburban councils informed on the work of the new board, an advisory committee will be formed of one representative from each. All recommendations of the central board will be submitted to city council, the suburban advisory committee and the provincial planning minister.

Central Mortgage Corp. Opens Calgary Office

From Our Own Correspondent

CALGARY—A branch office of Central Mortgage & Housing Corp., a Crown company, has been opened here to give southern Alberta better service under the National Housing Act. All plans and specifications may now be handled and approved here instead of having to be sent to Edmonton.

H. C. Spence, M.B.E., appointed to take over the new office, is a graduate of the University of Manitoba (1934) in civil engineering. Before the war he held administrative posts in Winnipeg. During the war he served with the administrative branch of the RCAF rising to the rank of Wing Commander.

BUSINESS THIS WEEK

	AUG.	JULY	JUNE	MAY	Year Ago
THE FINANCIAL POST PRODUCTION INDEX (1)	....	....	....	190.1	233.2
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	253.0	262.3	265.7	237.5
Dom. total expend.	....	190.0	249.3	243.1	397.8
MERCHANDISING					
Dept. store sales index no. (1).	....	159.7	191.6	208.8	133.2
Retail sales index (no.)	....	195.5	216.0	216.9	170.5
Wholesale sales index no.	....	249.3	241.0	259.8	203.7
Country store (% change pr. yr.)	....	+14.7	+10.0	+17.2	....
FINANCE					
Dividend payment index (5) ...	....	146.9	144.9	143.2	140.0
Bank debits (1)	....	....	190.2	206.4	200.3
Bank deposits index (1)	....	....	....	253.1	223.6
Money supply (millions $)	....	....	6,975	7,106	6,651
NEWSPRINT CAPACITY					
aProduction ratio	89.1	99.2	96.5	96.3	76.4
aShipment ratio	95.4	101.3	93.2	98.2	80.9
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	....	187.9	193.7	186.3	204.6
Cars (D.B.S.) index	....	150.7	141.3	146.4	151.2
COST OF LIVING					
D.B.S. index	125.6	125.1	123.6	122.0	120.5
EMPLOYMENT INDEX, D.B.S.					
All industries	....	173.5	169.9	169.3	175.5
Manufacturing	....	187.2	184.6	186.2	207.2
Payrolls (June 1/41=100) (2) ...	....	142.2	137.0	138.0	143.9

			Jan. 1 to date		Change
RAILWAYS—(000's omitted)	1946	1945	1946	1945	%
aCarloadings (week Sept. 7)	70.4	66.0	2,432.6	2,469.2	—0.6
aC.P.R. gross rev. (Sept. 7)	5,504	5,779	188,430	209,944	—10.4
C.N.R. gross rev. (July)	34,445	39,845	220,602	253,714	—13.1
C.N.R. net rev. (July)	5,518		25,150	48,482	—48.1
C.P.R. gross revenue (July) ...	24,058	28,978	163,510	183,706	—10.9
C.P.R. net revenue (July)	1,490	3,896	9,452	21,116	—45.2
IRON AND STEEL (000's omitted) (June)					
Pig iron production (tons)	129.9	159.0	876.0	942.0	—7.0
Steel production (tons)	214.9	257.1	1,449.6	1,595.6	—7.9
CONSTRUCTION (000's omitted)					
Contracts awarded (Aug.) $	50,414	41,031	460,692	267,276	+72.3
Building permits (July) $	33,107	19,939	239,839	100,613	+138.1
Cement prod., bbls. (June)	1,459.6	1,041.2	5,185.7	3,168.3	+63.6
AGRICULTURE (000's omitted)					
Flour prod., bbls. (July)	2,164	1,822	26,436	24,676	+7.1
Flour exp., bbls. (June)	1,060	1,613	7,523	7,491	+0.3
Wheat exp., bush. (June)	9,947	43,295	79,368	110,485	—28.2
Cattle sales (Aug.) (4)	177.8	156.2	1,042.8	1,073.6	—2.9
Hog sales (Aug.) (4)	210.7	338.7	2,963.8	4,072.7	—27.2
SEA FISHERIES (000's omitted)					
Catch, cwt. (July)	1,646	1,599	5,723	6,110	—6.3
Landed value (July) $	7,742	8,175	17,190	27,961	—38.6
NEWSPRINT (000's omitted)					
aProduction (Aug.)	371	287	2,731	2,102	+29.9
aExports, tons (Aug.)	357	304	2,681	2,090	+28.3
MINING AND OILS (000's omitted)					
Coal prod., tons (June)	1,258.8	1,277.2	9,050.4	8,462.6	+6.9
Gold rec. (fine oz.) (May)	223	222	1,180	1,083	+8.9
Petroleum prod. (brl.) (June) ..	621.9	672.9	3,870.4	4,521.8	—14.4
ELECTRICAL POWER OUTPUT (000,000 omitted) (July)					
Total monthly kw.h.	3,423	3,281	24,109	23,949	+0.6
FOREIGN TRADE (millions of $)					
Imports (July)	161.6	138.7	1,041.5	937.4	+10.9
Exports (July)	188.7	282.7	1,251.5	2,001.1	—37.5
FINANCE (millions of $)					
Bank debits (May)	6,116	6,894	28,896	26,582	+8.8
Bond sales (July)	283.6	423.4	2,960.4	4,034.2	—38.7
Life insurance sales (July)	105.9	56.8	694.8	373.6	+85.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (June)	3.7	3.3	22.0	19.2	+17.7
Cigarette cons. (no.) (June)	1,181	1,182	6,951	6,884	+0.9

(1) Base period 1935-39=100.
(2) All industries.
aNew items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

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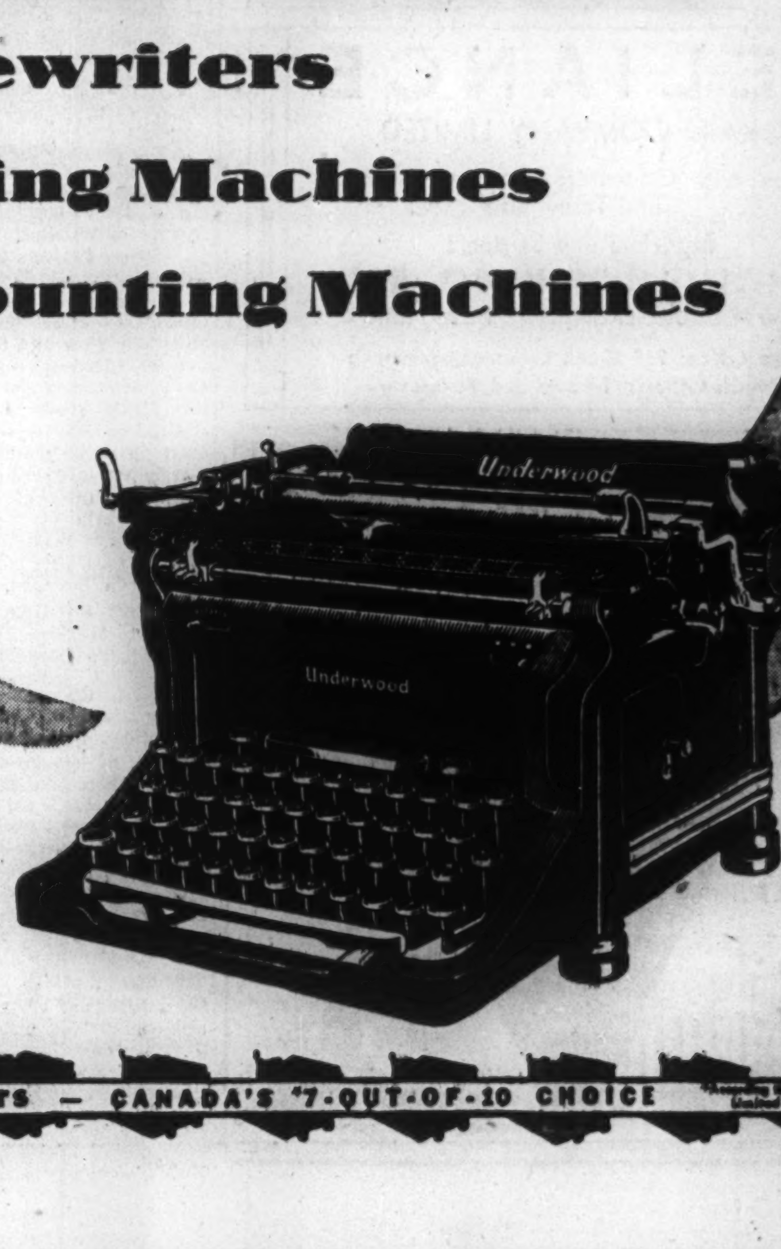

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Many Alberta Farmers Oppose Strike Red Backing Embarrassing to A.F.U.

From Our Own Correspondent

EDMONTON—The Alberta farmers' delivery strike seems to have gained considerable strength in the last week. At the same time opposition to it, from nonstriking farmers, has grown. Whatever the outcome, bitterness between farm organizations mounts high.

At a growing number of points, strike committees have apparently been successful in tying up deliveries. At the majority of Alberta points, however, business goes on as usual, while the strike is getting very limited support in Saskatchewan and none in Manitoba except from the Labor-Progressive party. Strike headquarters here seem sensitive about reports of Communist influence. A letter has been published in one country paper declaring that there are only 300 members of the Labor-Progressive Party in the Alberta Farmers' Union, and that none of these is an official.

As Edmonton is headquarters of the strike committee, so Calgary is headquarters of the opposition. The executive of the United Farmers of Alberta last week declared that the strike had no support from its organization. At the same time the UFA published a statement by the board of directors of the Canadian Federation of Agriculture, repudiating the strike movement.

Directors of the Federation pledged themselves to remain consistent with the Federation's own policy of achieving objectives through communication and consultation with authorities.

Breach Seen Inevitable

The Alberta Farmers' Union is a member of the Alberta Federation of Agriculture and consequently has some affiliation with the Canadian Federation; but it seems difficult that such affiliation can continue. Those familiar with the history of the farmer movement in the West recall that a former national body, the Canadian Council of Agriculture, broke up a number of years ago when different farm organizations began to dispute with one another. They also declare that the Saskatchewan Co-operative Elevator Co. was captured from without, through election of delegates, by the Saskatchewan Wheat Pool, when those two organizations disagreed. There is speculation as to whether, if the strike seems to be a success, the Alberta Farmers' Union will develop political ambitions or whether it will turn its energies toward capturing control of some of the farmers' commercial organizations of the province.

Opposition to the strike is not confined to the UFA. Reports are coming in of antistrike meetings held at different points, where those attending have appealed to the Board of Grain Commissioners to keep elevators open and to the provincial Government for police protection in making deliveries.

Success in checking grain deliveries was more apparent than real, because wet weather held up threshing for a considerable time and picketing forces were recruited from farms who had nothing to do on their own farms. With the resumption of threshing it is predicted that enthusiasm for picketing will diminish.

Livestock Shipments Down

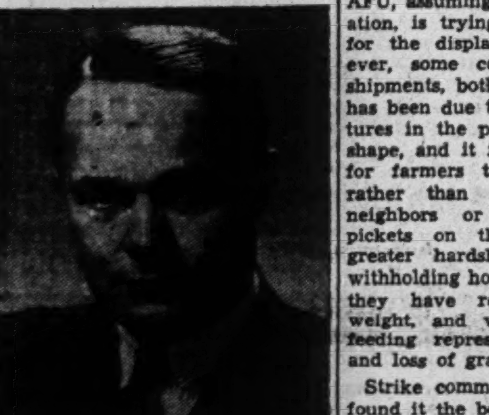
Livestock shipments to Edmonton have fallen off to a mere trickle and employees of Edmonton packing plants have been laid off. The AFU, assuming credit for this situation, is trying to find farm jobs for the displaced workers. However, some considerable drop in shipments, both of cattle and hogs, has been due to other factors. Pastures in the province are in good shape, and it is no great hardship for farmers to hold back cattle rather than risk quarrels with neighbors or interference from pickets on the road. A much greater hardship is involved in withholding hogs from market after they have reached the correct weight, and where further grain feeding represents waste of feed and loss of grain.

Strike committees seem to have found it the better part of wisdom not to interefere very greatly with deliveries of milk. At a number of points there has been a compromise on cream and eggs. Creameries and egg stations have kept open with concurrence of strike committees, on the understanding that while they would receive products for storing and processing, they would make neither payments nor shipments until after the strike is over.

Recognition Main Aim

Although the AFU has, nominally, a considerable list of demands, including 20 cents a bushel more for wheat than is covered by the present guarantee of $1.35 for the next four years, it is taken for granted that what the union really wants is recognition. It is assumed that the strike will be called off promptly if the Dominion Government takes any step toward investigation of farm price levels. In that event the AFU would claim victory and also be able to claim for the future that its organization, instead of the Alberta Federation of Agriculture or the Canadian Federation of Agriculture, should deal with the Government on behalf of Alberta farmers.

Some travellers have voiced "dismay" at the mob feeling which seems to have been aroused at some points. Others, who have been on different areas, report antistrike feeling growing. All agree, however, that the AFU seems to have shown a good deal of technical competence at many points in its strike organization, and that this is most pronounced where the Anglo-Saxon element among farmers is the weakest. The AFU treasury appears to have been strengthened by collection of membership fees and strike fund contributions at many points.



JOHN D. HARRISON

Following a Directors' meeting, Mr. John S. Moore, Chairman of the Board of The London and Western Trusts Company Limited, has announced the appointment of Mr. John D. Harrison as General Manager, succeeding Mr. T. F. Walker, who has retired. Mr. Harrison is well known in the legal profession throughout Canada. He was educated at the University of Toronto and Osgoode Hall. On being called to the bar in 1934 he joined the legal firm of Cronyn & Betts, assuming the senior partnership on the death of Mr. F. C. Betts in 1938.

Mr. Harrison served overseas with the Canadian Army for five years and was appointed a member of The Order of the British Empire.

Irrigation Pays Rich Dividends In S. Alberta

From Our Own Correspondent

LETHBRIDGE—Irrigation is paying big dividends in southern Alberta; it is given a large portion of credit for the $79 millions of new wealth produced last year in that area.

The first major irrigation project was launched in Alberta at the turn of the century—the old Alberta Railway and Irrigation Company block, built by the early Mormon settlers from Utah and financed by Sir Alexander T. Galt and his son Elliott T. Galt. Today Lethbridge is surrounded by a cluster of irrigation projects, covering more than 250,000 acres—projects which, over the last 30 or 40 years, have repeatedly demonstrated their value as crop insurance.

Southern Alberta believes in putting its eggs in many baskets. War and postwar developments have brought a marked trend toward decentralization, and toward establishment of many more industries, based largely on agriculture, in rural areas.

Much of the production from those diversified farm areas is being processed now close to the farm, while by-products are going back to the farm to be converted into market beef, lambs and pork. And the livestock is helping to maintain the fertility of the soil. Thus southern Alberta farmers have mastered their problems to a large degree, subdued nature and formulated a well-balanced farm program.

Big Feeding Industry

Aside from the great ranching industry there has sprung up an important commercial feeding industry wherein 60,000 head of cattle and 125,000 head of lambs are finished annually on coarse grains and sugar factory by-products, and plans are now afoot to provide a regional packing unit. A co-operative packing house for Lethbridge, producer-owned and operated, is the objective of an incorporated company while established meat packing interests are also looking over this field.

Topping the development of rural industries are the sugar beet enterprises including factories at Raymond and Picture Butte with a $2.5 millions plant projected at Taber, to go into operation probably in the fall of 1948. Last year more than 100 million pounds of sugar were manufactured from 337,000 tons of beets, for which the farmers were paid $10.92 a ton.

Next in line come the vegetable canneries at Lethbridge, Taber, Magrath and Coaldale and the new quick-freeze plant established by the Broder Canning interests this year at Lethbridge. At the canneries peas, beans, corn, tomatoes and carrots, table beets and pumpkin are processed. The co-operative plant established by the Mennonite farmers at Coaldale packs chicken from nearby farms, building up an extensive market for the product.

Closely allied with the expanding food processing business is the production of some 200 acres of pickling vegetables at Barnwell and Taber for a large Canadian company, Dyson's of Winnipeg.

New Projects On Way

The industrial picture is dotted with creameries and cheese factories. Cheese factories at Coaldale, Mountain View and Glenwood provide an additional market for milk from the farms while the dairies take all the available cream.

Another industry which has been built up is the production of commercial mustard seed grown on some 30,000 acres under contract and marketed largely in the East—pickle and mustard manufacturers taking all the seed produced. Field peas are grown for seed, much of the production going to export. Flour mills, a macaroni factory, alfalfa mill and other plants based on the soil round out the panorama of industries in this region.

New strides in water storage and utilization are being taken in the building of two important projects south of here—the $3.5 millions St. Mary dam on the St. Mary River at Spring Coulee, financed by the Dominion Government, and the $400,000 Pot Hole Coulee dam south of Magrath, being built by the province. These projects are the beginning of the great St. Mary-Milk River-Lethbridge southeastern water development which will cost up to $20 millions and bring half a million acres more land under water. The St. Mary dam, largest earthen dam in Canada, will store 290,000 acre feet of water for irrigation purposes with important possibilities for hydro power for rural electrification as well.

Income Tax on the Farm

In this second of two articles, G. W. Auxier, Edmonton barrister, deals with some suggested alternatives to the present method of collecting income tax from farmers. Mr. Auxier, who served as counsel to the Ives Royal Commission on income tax, analyzed the problem in a recent address before the Canadian Bar Association, from which these highlights were selected.

As outlined in an earlier article (The Financial Post, Sept. 14), a survey of western farmers showed that neither the accrual or cash methods of raising income tax from farmers is acceptable under present regulations. Both have objectionable features in the eyes of most farmers.

In an attempt to find a solution, our Committee studied several schemes. We first thought that it might be possible, by a study of agricultural statistics, to arrive at a minimum acreage for tax purposes, exempting farmers operating on smaller holdings from the necessity of filing returns. This proposal was quickly discarded. The relationship between the income from the farm and its acreage varied so widely even in our own province as to make this suggestion worthless.

We then considered the adoption of a tax similar to the English tax under Schedule B, based on either the rental value or the assessed value of the land. We found that there was so much variation in methods of assessment that assessment figures were not a reliable guide. We found that in western Canada at least the returns from farming appeared to have so little reference to the rental value of the land as to make any tax based thereon inequitable. The plan might have the advantage of raising more money than is being paid by farmers at present, and it has the added merit of simplicity, but fair distribution of the tax burden amongst all individuals and all classes, one of the primary objectives, would not be attained. The English, after a trial of 135 years, are limiting its application. That's one indication of its shortcomings.

Tax on Production Urged

Another proposal that we considered at some length was made by many of the farmers interviewed—substitution of a production tax in place of a tax on net income. This suggestion was provoked by our Alberta Agricultural Land Relief Act: 1939. That Act vested in the Crown ownership of 7% of all agricultural produce from the moment it came into existence. All dealers in produce were appointed agents of the Crown, and were instructed to retain the Crown's share of the proceeds of all produce marketed. It was designed as an alternative to the tax on land and the Act provided that the Crown should distribute the money so realized amongst the municipalities and school districts, holding in reserve sufficient to provide for crop insurance and grants of seed. This statute was the subject of a great deal of discussion and it is still considered by many farmers in Alberta that it would be a much fairer tax than the present land tax, as those who have crop failures would, under it, go free and those with good crops and the ability to pay would carry the burden.

This might be the answer to the farmers' income tax problem. We did not know enough about the marketing of farm produce outside the Prairies to speak with respect to those areas, but in the West the recognized outlets for agricultural produce are comparatively few in number, being mainly the elevator companies, the packing houses and the creameries. Source collection would be easy. It would, of course, have the fault of being a flat rate of tax on gross revenue and the principle of graduation, generally considered to be the principal merit of the income tax, would not apply, but the simplicity and the absence of necessity for filing returns or keeping records might more than overcome this fault.

Generally speaking, farmers seemed quite enthusiastic about it, many mentioning the fact that, under the Prairie Farmers Assistance Act, a 1% deduction is now made from the proceeds of sale of certain farm commodities, and pointing out that a tax of this nature, at a rate of 3% to 5% would raise from $50 millions to $75 millions a year with no obligation on the farmer to keep a single record or file a return. It would not interfere with marketing, and being a flat rate of tax, could not affect production.

Such a tax would meet most of the farmers' objections, but it has some defects. Whether used as a substitute tax, or merely as a means of collection, it would evoke protests if agriculture ever reached the position it did during the '30's when for a period the market price of farm produce was less than the cost of production. It would also require almost annual adjustment to keep it in line with the income tax and this would be bound to cause the resentment, if not of farmers, then of other classes who would feel they were the victims of discrimination. Furthermore, a withholding tax of any substantial amount might easily disturb the normal channels of distribution and foster evasion through irresponsible middlemen, and if used as a mode of collection only, the refund problem would also be very real.

This plan, the only alternative tax that seemed at all feasible, deserves further study by some body equipped to make a thorough investigation. At the moment, however, it does not appear to be the perfect answer.

Easing the Record Problem

Returning then to the income tax, calculated on the accrual basis, the answer might be found in a different method of reporting. It is common knowledge that in the present drive to collect the tax from farmers, in cases where records are absent, the assessments are made on the basis of increase in net worth, after allowing for capital adjustments and adding the living expenses of the family. So far as can be ascertained, they are quite ready and willing to answer questions, and they are willing to pay the tax assessed from answers given, so long as they are relieved from the obligation of keeping records and making computations which in many cases are beyond their ability.

In the current survey net worth figures will be established for the majority of the western farmers. Would it not be feasible, then, to send each year a questionnaire designed to keep this statement up to date, leaving it to the department to assess the farmer each year on the basis of his reply?

The form would include questions designed to show whether pleasure trips had been taken, whether children had been attending boarding school, whether new household appliances had been purchased and whether insurance premiums or medical expenses had been paid, in order that personal expenditures might be ascertained with reasonable accuracy. A statement of inventory and sales of grain and livestock would be included in the simplest possible form and there would be a number of questions dealing with capital transactions (such as sales or purchases of land and machinery, assets inherited, or gifts made) in order that proper adjustments might be made.

Only the simplest records would be kept, most of the information being within the farmer's knowledge, and the burden of calculating the tax would be removed from his shoulders.

The only objection to this method lies in the administrative difficulty of preventing evasion through withdrawal or transfer of assets. However, the answers given would have to meet the test of reasonableness, and the information required as to grain and livestock transactions would serve to rationalize the change in business, thereby supplementing the test of reasonableness. It would, of course, throw the burden of assessment on the Department but an experienced assessor would have no difficulty in arriving at a fair statement of income from the answers given.

The Farmers T1 Supplemental now in use gives no information, except for the depreciation schedule, as to the scope of the farmer's operations, and makes it easy to conceal sales. The form is also an open invitation to padding on the disbursement side as it suggests many items of possible expense which would not occur otherwise to the average farmer. Cross reference to answers given on the questionnaire would defeat most such attempts at padding or concealment.

Montreal Spent $92,595 On Refunding Program

MONTREAL (Staff) — Out-of-pocket expenses incurred by Montreal in connection with its recent refunding operations totalled $92,595. city authorities state. Of this, $36,704 was represented by the cost of the New York law firm of Davis, Polk, Wordwell. Sunderland & Kiendl. Other authorized payments include: $4,251 to Laurendeau & Laurendeau, Montreal law firm; $5,225 to both McDonald, Currie & Co., and Courtois, Fredette & Co., Montreal accountancy houses; $20,815 to C. P. Young & Co. printers and $20,375 to the Montreal law firm of Heward, Holden, Hutchison, Cliff, Meredith & Ballantyne.

GYPSUM, LIME & ALABASTINE, CANADA, LTD., will redeem on Nov. 15, 1946, all its outstanding 5½% first mortgage s.f. gold bonds due Mar. 1, 1948, at 100¼ and accrued interest, outstanding in the amount of $2,182,000 at Nov. 30, 1945.

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For the third consecutive year, Charles C. Peck has qualified as a member of the "Million Dollar Round Table," the international group composed of life underwriters who place life insurance in excess of a million dollars within a 12 month period. Qualifying this year as a Life Member of the Round Table, Mr. Peck is the first Canadian to achieve this distinction. A specialist in the designing, installation and servicing of Employee Benefit Plans, he earned further honors during the past year as the leader of the Canada Life's entire field organization on this continent.

Grain Prices

Winnipeg Grain Futures

Week to Sept. 16, 1946

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close Sept. 16
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.87	1.50⅞	Oct.	2.31¾	2.15¾	2.26¾
2.77⅝	1.72½	Dec.	2.13	1.98½	2.08¾
2.25	1.69½	May	2.08	1.94¾	2.04

*At ceiling.

Cash Quotations

	For Week Sept. 16 High	Low	Prev. Week High	Low
Oats*				
2 C. W. ..	.51½	.51½	.51½	.51½
3 C. W. ..	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed ...	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W. .	2.29½	2.19½	2.22¾	2.17⅝

*At ceiling.

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Nova Scotia Labor Outlook Bleak Strikes Breed Wide Unemployment

From Our Own Correspondent

HALIFAX—A black record of industrial paralysis and unemployment resulting from strikes faced Nova Scotians this week. Weight of the province's chronic unemployment burden is growing as the number of factory layoffs and shutdowns increases. The postwar building program has bogged down with shortages of brick, tile and bricklayers. There is no steel for heavy construction. Lumber which might have gone into local construction is going overseas. Three workers are hunting jobs for every vacancy listed.

In the face of these conditions, there is talk of still more strikes. The hotbed: Sydney. There, 1,800 Dosco strikers, less than half the workers affected, provided the "unanimous" show-of-hands vote by which the Government's formula for ending their strike was rejected. They voted to hold out for equalization of their wage scales with those paid in Ontario, plus 15c. an hour wage increases, application of the Rand formula for union security and a guarantee of wage increases of 1c. an hour for every point the cost-of-living index rises. At the same time United Mine Workers in District 26 served notice on the operator that they want to reopen their contracts. The Canadian Fishermen's Union reporting inability to obtain a degree of collective bargaining from the operators, is discussing a possible walkout. The union, organized in September, 1944, has been certified as the bargaining agent for 29 Nova Scotian fishing schooners. Should a strike be ordered it is stated that not only certified ships but large numbers of others as well, would be affected.

Showdown Near

"The owners have even refused to reply to our requests for a meeting, and a showdown is near," one official of the fishermen's union stated.

While some unions are looking for a 40-hour week, the Canadian Fish Handlers' Union, TLC, is seeking a standard 48-hour week, with overtime pay for Sundays and holidays. In large numbers of cases members of the union say they are compelled to work 10 hours a day, seven days a week, for straight pay.

The union is seeking a uniform rate of 84 cents an hour, against a present maximum of 74 cents. Granting the demand would mean increases ranging from 10 to 24 cents. Other conditions sought include union security, two weeks' vacation with pay, equal pay regardless of sex, the union shop, and checkoff.

Joint applications from the union and fish plants at Halifax and Glace Bay for permission to pay double time on Sundays were turned down by the Regional War Labor Board some time ago.

Demand 40-hour Week

The Maritime Marine Workers' Federation executive officers met in Halifax, and prepared to launch their 40-hour week campaign. Success of the British Columbia Shipyard Workers' Federation in obtaining increases up to 20 cents an hour, has spurred the Maritime unions on. Even if granted the 25 cents an hour increase asked, Maritime wages would still be at least five cents under those paid on the west coast, they declare. General policy of the Federation is for a five-day week and a flat increase of 25 cents on all classifications.

Some of the unions of the Federation have been voluntarily working a five-day week at the old rates of pay since the first of the year, in order to spread employment.

Two strikes of Cape Breton Truck Owners and Drivers Union, CCL, have faded out of the picture. The trucks concerned have been diverted to other jobs on which there were no labor troubles. One concern brought in its own trucks from the mainland, while another hired trucks outside the island.

When a fireman on a Dosco ore carrier was dismissed, a Canadian Seamen's Union crew struck at Sydney. After a five-hour work stoppage the men returned to work. The ship sailed pending a union investigation on her return to port.

Having notified the operators of a desire to negotiate a new contract to replace that expiring Jan. 31, 1947, officers of the United Mine Workers of America District 26 are reticent on the nature of their demands. These, however, will likely parallel those of Alberta's District 18, UMW: increases of $2.50 a day, the 40-hour week, and a 5c. royalty on each ton of coal mined.

At Sydney, a Saturday morning patrol of the United Brotherhood of Carpenters, AFL, TLC, has been on the job for the last month, checking all building operations to ensure that there are no violations of their five-day week contract.

In Halifax, where the building trades' unions entered into a similar contract with builders, the Constructive Mechanical Trades Exchange (employer organization) has applied to the War Labor Board for a 10% increase for unorganized building trades laborers. This would give the nonunion workers an increase equalling that of the organized trades.

At Glace Bay, the Cape Breton Labor Council has demanded that members of the town council, most of whom belong to trade unions, grant police force members one day off in seven.

ELMONT GOLD MINES officials have completed arrangements for geological and geophysical surveys on the company's two properties. One group is located in Beauchastel twp., Que., adjoining Norzone Rouyn, the other south of Hosco and Heva Gold, Joannes twp., Que. Drilling is proposed on completion of surveys.

U.K. Makes Rapid Strides Regaining Export Trade

LONDON—New postwar records in the United Kingdom export trade have been announced by the U. K. Board of Trade. The country's overseas shipments during July totalled £91.9 millions, highest value recorded during the first 12 months of peace. In volume, exports reached a new high, 20% above the 1938 average. The Government originally expected exports to reach but not surpass the pe-war rate, only by December.

These July returns have continued the steady upward curve which had been made by Britain's monthly exports—with the exception of June, the "Victory" month—since the start of this year. Calculating by a standard month of 26 working days, these figures are £55, £65 £67, £75, £82, £73 and £88 millions, respectively. This is equivalent to an average increase of 8% to 9% monthly since the end of 1945. While August figures are not likely to be so high as July's, the decline will, as was the case in June, at the worst be only a temporary setback.

Still Reconverting

The process of reconversion is still under way—announcement by the Nuffield motor car group this week that it is taking over a £3 million Ministry of Aircraft factory is a case in point. However, a very high proportion of war factories and plant have already been geared to normal peacetime work. Carefully planned guidance of labor in choosing occupations has given those factories manufacturing for export labor a labor strength of more than 1.3 millions, compared with only 417,000 a year ago, and 990,000 in mid-1939.

Continued rise of exports must be dependent to a very great extent on supplies of raw materials from abroad. Today these imports, although higher than in war years, are still far below pre-war level. In the first seven months of 1946 Britain was able to purchase from abroad only 64% of the 1938 volume of food and raw materials. So far the total trade deficit this year stands at just under £176 millions. Britain must, therefore, if she is to achieve the trade balance at which she is aiming, reach a far higher level of export trade before she can revert to her pre-war standards of import trade.

Machinery Leads

Major contribution to the rise in exports was made by manufacturers of vehicles and machinery. Their exports amounted each to some £11 millions, and made up almost one quarter of the July total. About one quarter of the machinery went to liberated countries of Europe. Exports of agricultural machinery were four times the 1938 average tonnage; cranes and hoists three times; marine internal combustion engines four times. Six times as many locomotives now exported. Vehicles shipped during the month totalled 7,667 (more than twice the 1938 average).

Although the July rise is most marked in capital goods, it extends to a wide range of "shop window" wares; for example, 36,000 radios went overseas during the month. New records were set for bicycles, umbrellas, toys and gramophones. Textile exports were highest, both by value and volume, since the end of the war. Volume is, however, still below the pre-war level, owing to yarn and labor shortage and to acute home demand.

Find Window Displays Aid Insurance Sales

The Liberty Mutual Insurance Co. of Boston has a plan for developing new business which after 18 months' trial, has increased sales by over 100%.

It consists of "stores" where possible purchasers of fire, casualty or automobile insurance can drop in for literature and have questions answered without being subject to a sales talk. Five of these stores are now operating, with a sixth planned for this fall. About 200 to 300 such sales offices are proposed.

One feature of the plan is to make displays in ground-level windows, showing the protective value of insurance. Apart from getting new business, company officials say it is definitely helpful in servicing old policyholders.

ROUYN, QUE., last week sold $250,000 of 3% 20-year serial bonds at 99.27 to a syndicate including Lagueux & DesRochers Ltd. and St-Onge & Fournier Inc. Cost to the municipality will average 3.074%. Bonds, dated Sept. 1., 1946, may be redeemed by anticipation. At a referendum the loan, incurred for paving, extension of the aqueduct, etc., was approved by taxable property owners. Funded debt of Rouyn was $557,900 at the end of 1945, while assessed 1944 valuation was $5,217,885.

WILLSON STATIONERS & ENVELOPES retained net profit for the year ended Apr. 30, 1946, was up 32.2%. Working capital position was off $57,393 at $402,277.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1946	1945
Net earnings	$335,087	$304,967
Less: Depr.	17,157	20,311
Inc. tax, etc.*	145,661	130,608
Net profit	72,269	54,048
Less: Pref. div.	20,000	20,000
Less: Subsid. port.	3,450	3,450
Surplus	48,719	37,498
*Incl. ref. EPT	17,060	20,277
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$21.83	$16.33
Incl. ref. EPT	26.99	22.45
Paid	5.00	5.00
Com.: Excl. ref. EPT	1.11	0.75
Incl. ref. EPT	1.46	1.16
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1946	1945
Cash	$20,949	$22,525
Accts. rec.	201,346	137,851
Inventories	515,227	470,974
Total curr. assets	737,522	631,350
Goodwill	4,000	......
Invests., etc.	384,445	306,640
Prep. exps., etc.▲	70,687	51,042
Fixed assets*	167,654	139,912
Total assets	1,364,308	1,128,944
Bk. loan & overdraft	139,497	......
Accts., tax., etc., pay.	195,748	171,680
Total curr. liab.	335,245	171,680
Capital surplus	20,488	20,488
Deferred liabs.	3,900	4,800
Capital stock	606,000	606,000
Distrib. surplus	39,509	39,509
Earned surplus▲	359,166	286,387
*After depr. of	351,161	334,036
▲Incl. refund. EPT.	65,598	48,538
Working capital	402,277	459,670

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—Adequate skilled and unskilled labor.
—Ample financial, business and industrial services.
—Very favorable tax structure.
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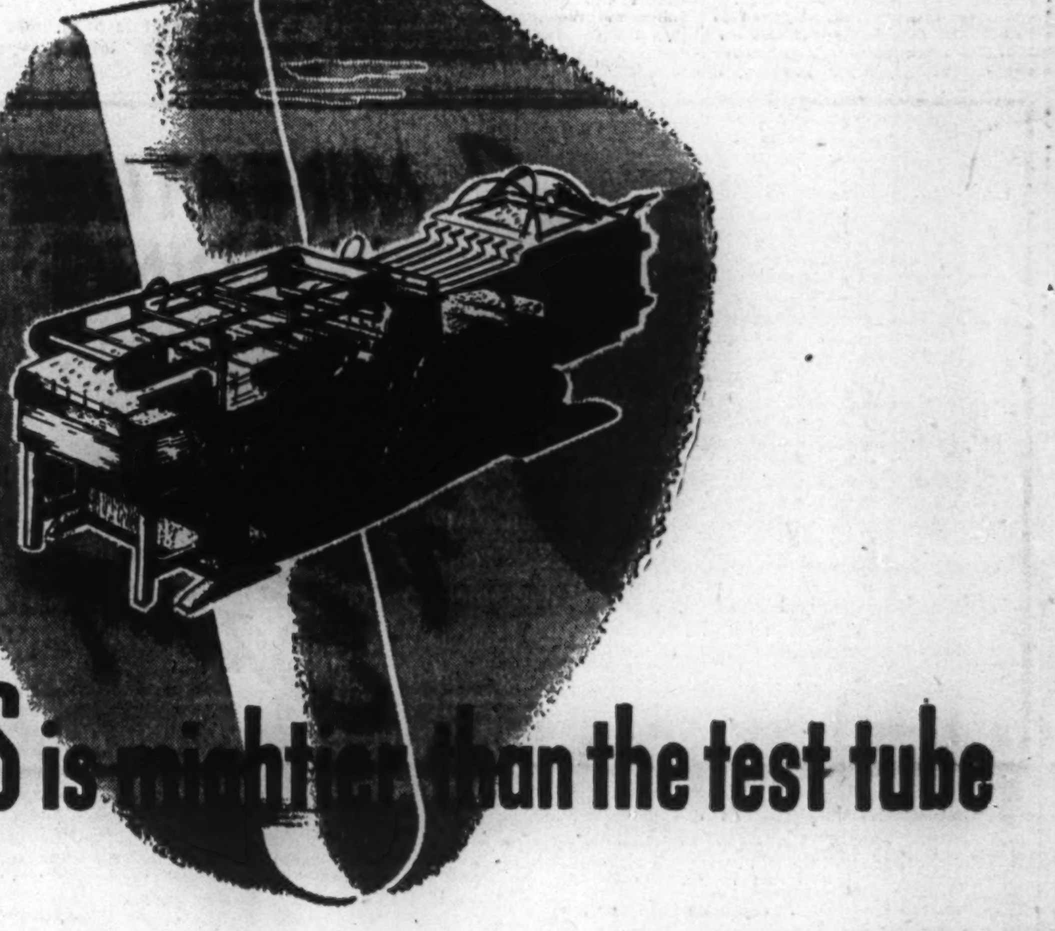

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Fluid Drive

SOUTHERN CANADA POWER CO. reports August gross earnings at $325,475 against $289,069 in August, 1945, an increase of $36,406. Net earnings, however, were down $779 to $117,904 as operating expenses at $147,087 were $39,640 higher. August operations, after interest, depreciation and dividends, resulted in a deficit of $1,782 ($1,420 in August, 1945). Cumulative figures for the 11 months through August, 1946, showed gross earnings of $3,445,992 up $182,488; operating expenses $2,060,967, up $131,231; surplus $42,397, up $32,255.

New Income Tax Basis Due Farmers, Many Say

The question: What income tax system for farmers do you consider would be fairer and more effective than the present one?

The majority of farmers, editors and others questioned by The Financial Post on this subject, suggested that farmers be allowed to "average" profits and losses, over a five-year period; and that deductions be allowed to cover services given by their families.

WILFRED BISHOP, Executive Ontario Hog Producers' Association, Norwich, Ont.

An income tax policy to be both sound and fair to agriculture must include provision for (a) allowance for noncash labor performed by the farm operator's family; (b) nontaxability of farm capital being transformed from one form to another, e.g., proceeds from the capital account of one farm enterprise, sale of dairy herd, and to the account of another enterprise, land for production of cash crops; (c) tax to be averaged over several years.

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W. J. BREAKEY, Dominion Experiment Station, Morden, Man.

I suggest the basis for farmers' income tax be the average five-year period. Farmers should be induced to invest surplus money in the agricultural industry. This would tend to keep money in circulation and reduce large bank accounts. Most important relief farmers are seeking is to spread income tax, so as to equalize good and poor crop year returns.

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E. S. BROWN, Plumas, Man.

With regard to income tax for farmers, I would consider the tax should be spread over a period of three years or even more. A farmer's wife should be entitled to a six hundred dollar exemption outside of her husband's allotment. Also the Dominion Government would be well advised to allow five hundred dollars tax free for poultry and dairy products. Of course every business must expect to pay income tax which includes farmers.

• • •

F. M. CLEMENT, Dean, Faculty of Agriculture, University of British Columbia, Vancouver.

Farmers seek the same rights, privileges and opportunities and the same responsibilities as other Canadian citizens and so should be treated as fairly or unfairly as other citizens. The farmer's wife, sons and daughters who work are entitled to wages for the work they do. Livestock that produces milk and young stock are capital at all times and should be treated as such under all conditions, with special reference to dispersal sales. Due to hazards and economic fluctuations beyond his control, the farmer's taxable income should be based on a five-year average.

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G. R. BICKERTON, former president, Saskatchewan Section, United Farmers of Canada, Saskatoon.

A fairer and more effective system of farm taxation would be:

1. That the incomes of farmers be assessed on the basis of a five-year moving average.
2. That breeding herds be recognized as a capital asset; and in the case of proceeds from dispersal sales over and above this asset, the farmer be permitted to average the income from such sales over a period of three years for tax purposes.
3. That allowance be made for the labor of farmers' wives, sons and daughters in connection with production of the farm.
4. That farmers be not required to accept responsibility of collecting tax from hired help.
5. That the Dominion Government provide a board of arbitration whereby taxpayers may have inexpensive means of appealing decisions of income tax authorities.
6. That payments of debt on home half sections, contracted before 1940, be allowed as tax deductions.

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LOUIS BLAKE DUFF, Writer and Publicist, Welland, Ont.

The farmer, like the gambling man, is an in-and-outer, one year milk and honey, the next year no money. A taxing rule should be made to meet this, for no other occupation is subject to such ups-and-downs. When up, the tax gets him, even if he's been hollow for years; when down, that's just another bit of his bad luck. Most farmers, if clever at depreciation figures, can protect themselves from income tax. Moreover, the average farmer cannot be taxed, for his accounting system is incomplete and by a little ingenuity he can make it much more incomplete. There is really no check on the number of eggs or the pounds the hogs weighed. Many farmers work 18 hours a day and have no vacation. The tax collector should leave them alone.

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F. H. DEACON, Toronto businessman and farm owner.

For the past 30 years I have operated a 600-acre farm at Unionville, near Toronto. About 1920 I sold our wheat crop at $1.35 per bushel and four years later sold it at 37c. per bushel. We always sell our wheat immediately after threshing and use the proceeds to buy heavy western oats which are particularly valuable in putting flesh evenly on fat cattle. Prices for pure bred Shorthorns varied as widely as for grain. In June, 1920, I bought at auction eight females at an average cost over $1,000 each, the low being $750 and the high $1,300. At the same sale, one heifer sold at $5,200. Three or four years later, I bought better females at $250-$400 each. Similar price swings have occurred every decade. This is why I consider the present tax for farmers, based on an average of three years, is fair to farmers and Government.

• • •

J. D. MACFARLANE, Farmer, Aylsam, Sask.

Income tax for farmers should be based on the commodities sold and say one quarter to half of 1% deducted and sent in when the commodity is sold. If the farmer had paid in on this basis and his total returns for the year did not come up to the minimum required under the Income Tax Act, money paid in could be sent back to him. Farmers cannot keep books sufficiently accurately under the present system. More money, I believe, would go to the Government under this plan, and it would be easier and more equitable for the farmer. Parity prices for commodities produced should be determined by the economic branch for the Department of Agriculture, and no payments made if prices are less than cost.

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MRS. E. B. MAYON, Editor, The Herald, Merritt, B.C.

Two changes would be fairer. First, a tax system whereby the Government recognized the breeding herd as capital, as in the United States. The present system of demanding income tax on the sale of breeding herds works a hardship on older ranchers who wish to retire or are unable to carry on their business. A change to the five-year period asked by the ranchers to average their income would be an improvement on the 3-year system.

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JOHN MORRISON, farmer, Yellowgrass, Sask.

I think income tax should be collected from all farm products at the market. A percentage should be deducted from grain at the elevator, from dairy products at the creamery, from livestock at stockyards or packing plant, and from all farm products at source of sale. Evasions would be impossible under this system. This would oblige all farmers east and west, large and small, to pay their share in the same manner as the present deduction of about 50 cents per bushel on wheat catches all wheat producers large and small. Collection expenses would be greatly reduced, too,

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CAMERON R. McINTOSH, Managing Editor and Publisher, The News, North Battleford, Sask.

Industrialists and farmers alike consider the system of postwar taxation inequitable. Public opinion demands complete overhauling of the structure as a killer of private enterprise, production and prosperity. Only 1% of the farmers with taxable income are paying their taxes. Simplified accounting has made no appreciable improvement. A correct mathematical tax basis is, relatively speaking, nonexistent. Farm production and consumption figures are unobtainable. Farmers are too individualistic to submit to a tax-blasting bureaucracy. Proposed amendments on a three-year basis are important as a stabilizing factor in agricultural fluctuations. This is not enough, however. Under the present system capital gain on buildings, land and machinery are exempt but farmers are taxable on cattle and grain for basic requirements. Reformed structure should exempt these things, placing farmers and businessmen on an equal basis.

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D. A. McCANNEL, Editor, Farm and Ranch Review, Calgary.

Most western farmers, particularly cattlemen, want their tax averaged over five years instead of three to fit in with the cycle of production and to level out climatic and economic fluctuations in yield and price. They contend basic breeding herds should be considered as capital and that greater allowance should be made for cost of deferred maintenance of farms and ranches run down during war years. Farmers also protest being made collection agents for tax from hired help. Many would favor pay-as-you-go tax deductions on each animal or bushel at time of sale, and adjustment in returns at year end.

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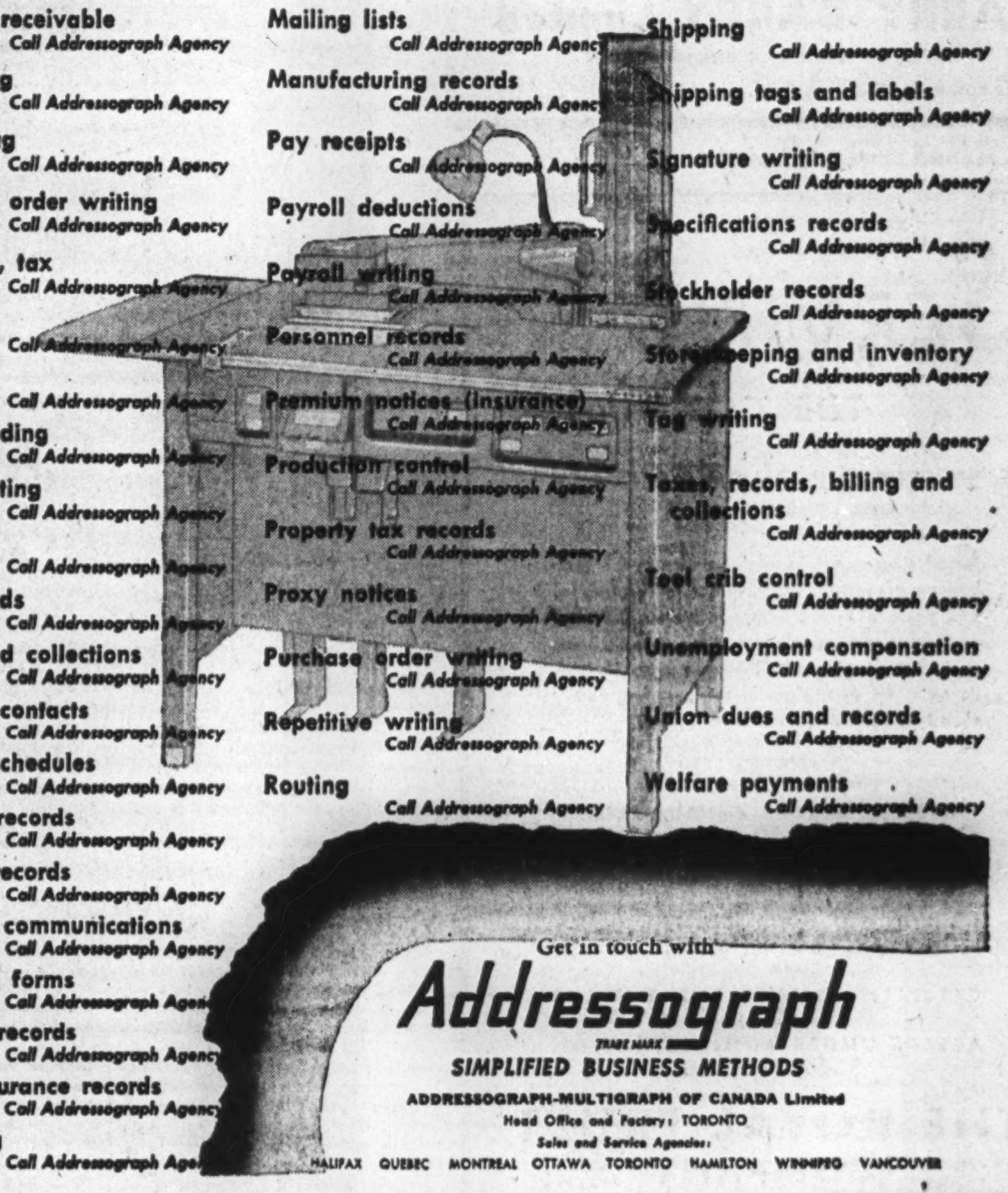

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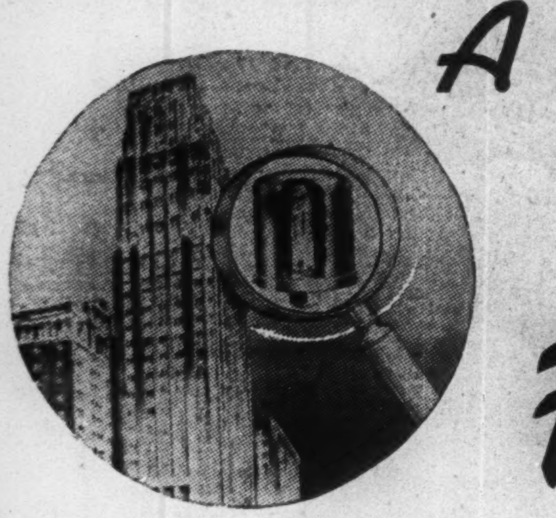

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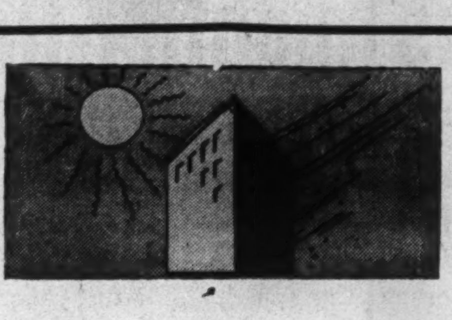

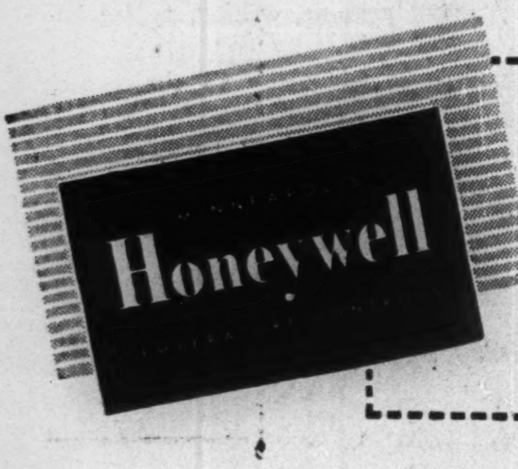

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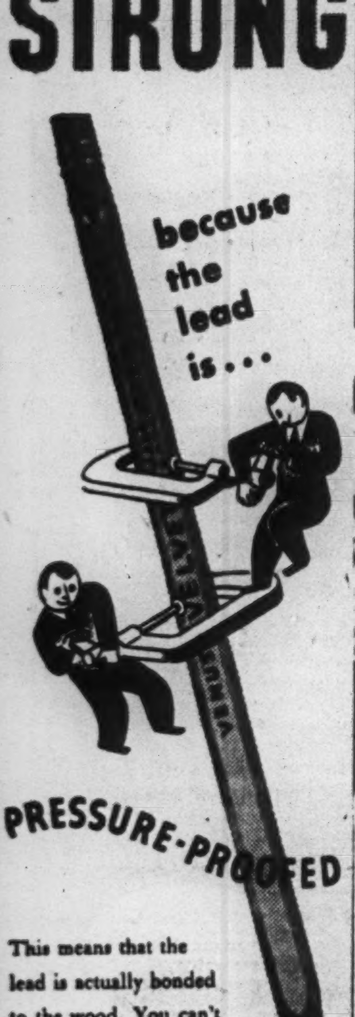
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$22,000,000 BUILDING PROGRAMME

A building programme likely to smash all records for any one year is now underway. The total value of the construction programme planned and started is $22,000,000. There are 800 dwelling houses under construction. 250 new businesses have been established in the city in the last two years.

Saskatoon's population has expanded rapidly under the stimulus of growing manufacturing and distributing activity and the city is the focal point for a surrounding trading area which includes nearly half a million people.

Executives will find in Saskatoon the most satisfactory solution to the question of where to establish in Western Canada. Full co-operation is offered by the Saskatoon Board of Trade in securing detailed analysis along specific lines and needs.

SASKATOON

BOARD OF TRADE

Commissioner S. N. MacEACHERN

Construction Trends

By CLIVE CHATTOE

Only Half Co-operating In New Housing Survey

The national housing administration under David Mansur had a real brainwave when it inspired the new DBS housing study which was to report the number of new house and apartment units actually completed each month, regardless of when they were started or awarded or received permits. It was to be reasonably complete and was eagerly anticipated as Canada's first genuine effort to lay the yardstick of "readiness for use" against apparent building production.

But the results to date are far from impressive. For the seven-month period Jan. 1. to July 31, according to a DBS summary just released, reports on new housing completed were received from 353 municipalities—little more than half of the 623 included in the survey—and only from B. C. and Alberta out of nine provinces with regard to building in unorganized areas.

Far from being impressed by the number of housing units reported—14,359 completed or about 2,000 a month—anyone seriously interested in the construction picture will ask at once how many other thousands of houses and apartments came into use in the same period in unreported municipalities and areas. It is a fair question and the suggestion is heard increasingly in construction circles that it's time municipalities took a more adult view of their responsibilities.

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Prices Still Rising

"The winter months should see an accumulation of building materials sufficient to get construction off to a good start next spring," writes Edward Donahue, Standard & Poor's Corp., summarizing U. S. and Canadian business highlights. Mr. Donahue thinks this should curb the black market in supplies, increase efficiency on the construction site, reduce building time, and induce contractors and subcontractors to knock down "the high contingency protection they now load into their bids." All this, he says, spells lower prices for homes before the end of 1947 'although it will be 1948 before full effects are felt."

The forecast should be read in Canada with reserve.

True, there can be little disagreement with the thesis that the primary cause of today's high (all-time peak and still rising) building costs is the inadequate supply of building materials and skilled labor which, in turn, results from unprecedented demand before reconversion could be completed, plus controls, strikes and raw supply difficulties.

But Canadians shouldn't blithely pin their building plans to any conjectural mid-1947 decline in building costs. A stabilizing trend may emerge then. But it certainly isn't in sight now. It is only weeks since Canadian building trades' workers got a 10c. hourly raise almost across the board and strikes this year not only have contributed greatly to building material scarcity, but in major category after major category have resulted or are now resulting in higher prices for such materials.

No, Mr. Donahue, not next year.

• • •

Costs Bring Shutdown

Vaux Wilson Jr.'s Precision-Built Homes Corp., Trenton, N.J., has produced thousands of semiprefabricated houses since establishment in 1935, $36 millions worth for the U. S. Government alone. Now, with plenty of orders, it is suspending production "until costs become more reasonable."

Before the war, Mr. Wilson's firm could turn out a house for $2,750 f.o.b. factory, including plumbing, heating, lighting. Now, he figures, it would cost $7,500 to build precisely the same house. Here are his own figures: Labor costs per unit, $450 in 1939, have grown nearly fivefold, now are $2,100; plumbing has about doubled, from $700 to $1,350, electric work is up from $85 to $200, and millwork from $185 to $600.

In a recent open letter to prospective purchasers Mr. Wilson said:

"Today there is no magic by which we can build this $2,750 house to sell at less than $7,500. And at $7,500 we know it is not good value. Perhaps you'd be willing to pay that price under present conditions. But when building prices come down again you'd be the owner of a home for which you had paid far too much money . . . and we would lose your confidence and goodwill."

Referring to Precision-Built's decision to "sit out this particular dance," the Calgary Herald editorializes: "Mr. Wilson is a wise man. And so are a lot of other people. The inflationary polka will come to an end pretty soon—next summer, most people think. Then prices and quality may come back to something like normal; a dollar may buy something approaching a dollar's worth."

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Priorities Deluge

A one-city sample of what Ottawa is up against in extending building supply priorities to veterans who are building individually is afforded in recent experience at Edmonton.

Priority assistance recently was broadened to include vets (outside the nationly organized programs) with houses half completed or better. Before, only those with houses three-quarters completed or better got such aid.

What is happening as a result in most sizeable cities in Canada is reflected in the fact that nearly 500 Edmonton vets have applied for supply priorities on the new basis. They have applied through the Edmonton chapter of the National House Builders' Association, and Chairman George Prudham is carrying the applications to Ottawa in person.

Just how effective priorities are going to prove under this expanded distribution at a time when many building programs are bogged down or seriously slowed for lack of supplies, is puzzling many a builder. Ottawa priorities officials think it will work out but they don't say why.

If, as now indicated, supply pressure next spring appears likely to remain as it is now, there will almost certainly be some new thoughts this fall and winter about curbing luxury building, possibly even Government readiness to define luxury building after having for months left that little chore strictly to the control-shy municipalities.

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Housing Job Shelved

While most Housing Enterprises of Canada projects are enjoying relatively clear sailing, apart from material and labor shortages (The Financial Post, Sept. 7), snags continue to develop here and there in negotiations between that building-renting agency of the life insurance companies and municipal councils.

Latest is at Edmonton, where city council has refused concessions including city outlay of $30,000 for paving around a proposed 150-suite $600,000 apartment development or, alternatively, conveyance gratis by the city of the required 6.8-acre building site on condition the company pay for paving and return land and buildings to the city after 50 years.

Aldermen said the land had been offered to the company for $10,200 and thought the company should be able to bear the expense. Housing Enterprises Representative G. H. Clappison said after the meeting: "The deal is out."

Minutes earlier, the same aldermen had decided to ask Wartime Housing Ltd. to build 250 more houses, over and above the 700 already erected in Edmonton in the past two years.

CANADIAN PACIFIC RAILWAY CO. reports gross earnings of $5,504,000 for the period August 31. to Sept. 7. ($5,779,000 for corresponding 1945 period).

ALEX H. JEFFERY

has been elected a director of the London Life Insurance Co.

Wartime Housing Total in Windsor Is At 2,500 Peak

From Our Own Correspondent

WINDSOR — Extension of the present Wartime Housing project to include 200 new dwellings for rent to war veterans here, will bring the number here to 2,500, largest single government housing development in any Canadian city.

Wartime Housing had originally planned 200 new dwellings, but because of the Housing Enterprises development of 113 houses, had cancelled 100 of the new dwellings. The cancellation order was voided on the protest of the municipal authorities, when Mayor Arthur J. Reaume stated that the housing shortage continues acute. Wartime Housing has 2,800 applications for housing, of which 600 are in the emergency category.

New Water Treatment Kills Chlorine Flavor

Pure water without that chlorine taste now can be supplied by small municipal utility plants at much lower cost for chemical treatment. The reason: a new process employing chlorine dioxide gas, developed in recent months. Ten Canadian communities have already adopted the new process.

Chlorine is familiar to almost everyone. It is bitter on the tongue and pungent to the nostrils. Regarded by waterworks officials as their topmost chemical aid, it has been, at the same time, their most persistent and costly source of trouble. Now it is being tamed for better service by a related chemical.

The chlorine dioxide gas treatment was introduced at Niagara Falls, N.Y., two years ago. Lindsay and Port Colborne, Ont., adopted the process a year ago, and since then Gatineau, Que., Camrose, Alta., Brantford, Dunnville, Wallaceburg, New Toronto, Scarboro twp. and Hanover, in Ontario have followed suit.

With equipment and supplies developed by Mathieson Alkali Works in United States, and in Canada by Associated Chemical Co., Toronto, the new method of water taste control has sharply challenged the older and generally more expensive treatments, including those employing activated carbon, chloramine, breakpoint chlorination and ozone, waterworks experts tell The Financial Post.

Offers Major Saving

Comparative cost data isn't abundant yet but the case of Scarboro twp. may be worth citing. In that suburban Toronto municipality, the cost of chemicals in water taste control with activated carbon had been running at $9 per million gallons of water treated; now it is $3.40.

Most public water supplies are purified with chlorine. More chlorine is added than is necessary to disinfect the water, the extra amount being used to protect the water from "secondary" contamination (contamination which might occur while the water is passing through the distribution system to faucets, swimming pools, etc.). Chlorine combines with organic material, such as industrial waste, sewage, or plant growths to give compounds with strong chlorinous tastes and odors . . . safe but not always palatable.

How "CDG" Works

Chlorine dioxide is a powerful oxidizing gas, with twice chlorine's capacity to destroy organic material. Unlike chlorine, it doesn't combine to produce chlorinous compounds. Instead it completely consumes any waste matter and leaves water without taste or odor.

One problem which had to be solved was discovery of a practical method for generating the gas. Chlorine dioxide can't be stored or shipped in cylinders; it must be generated in the waterworks plant as required.

Mathieson Alkali developed a method based on use of sodium chlorite just before World War II. The dioxide is produced by mixing a solution of sodium chlorite with chlorine water. The solution is fed by a metering pump into a simple mixing chamber, into which chlorine water also is being fed at a regulated rate. Chlorine dioxide thus formed is fed into the water system, usually at the "clear well"—the point where water comes from the filter.

For years the problem in Lindsay, Ont., first Canadian city (July, 1945) to employ the chlorine dioxide treatment, was considered one of the worst in Ontario. The Scugog river develops a very heavy algae condition in late summer and fall. Preliminary experiments were begun under direction of Director Dr. A. E. Berry of Ontario Health Dept.'s sanitary engineering division. The new treatment completely eliminated taste and odor, according to Waterworks Superintendent R. J. Reynolds.

Emergency Action

Some communities have installed chlorine dioxide treatment under emergency conditions, with dramatic results. Brantford, Ont., for example, had no difficulty until a few months ago, when the Grand River suddenly developed a steadily increasing amount of phenolic pollution. The condition became so severe that Ontario Health Department put in an urgent call for chlorine dioxide installation. The chemist with the necessary equipment arrived in the early hours of the next morning, according to Manager W. R. Catton of Brantford Public Utilities Commission, and by 8 a.m. (less than 24 hours after the call had first been put in) the condition had been cleared up.

A particularly complicated taste-odor problem plagued New Toronto, centrally located among several oil refineries on Toronto's west flank and also near the mouths of three rivers. Because tastes and odors in the water varied widely, treatment required a number of chemicals, such as carbon and ammonia. Use of chlorine dioxide here, according to Manager A. H. R. Thomas of New Toronto Public Utilities Commission, has not only improved taste and odor but has simplified operations, gives better chlorine residuals in the distribution system and keeps the settling basins and filters in better condition.

At Camrose, Alta., the same treatment reportedly has cut chemical costs in the water plant about 15%. Organic contamination and algae growth were constant worries in a town whose water supply is an impounding reservoir drawing run-off water from a large farm and pasture area. Exactly a year ago. Gatineau, with water supply from the Ottawa river in which organic contaminatiin is heavy, was the first Quebec community to introduce the new treatment.

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¶ Surveys and installation of production, budgetary, profit and cost control methods and systems.
¶ Complete surveys of operations and organization.

Our booklet, "What is Industrial Engineering?" explains in some detail these phases of our service. We will be pleased to send you a copy on request.

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Industrial Engineers and Consultants

WHAT'S NEW IN BUSINESS

Pump For Catchup

To help you get the right amount of catchup or other condiment in a similar type of bottle without splashing, the "Pump-It" dispenser is now being manufactured in the United States. It is a molded polyvinyl plastic fitted with a neoprene plug. A stainless steel spring is used in the device, which is operated by finger pressure on a plastic plunger.

• • •

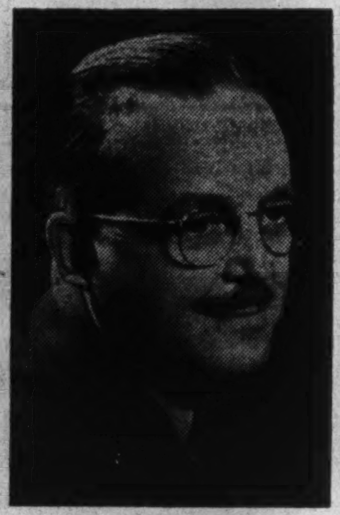
Cement Block Former

The Morris portable cement-block forming machine is soon to be manufactured in Canada. It makes possible on-the-spot production of cement blocks wherever a construction job is under way. The machine operates on two 1/3 h.p. electric motors; is all contained on a compact chassis. One city lot provides enough room to make the blocks and erect the building. Plans by the Canadian patent holder include outright sale and rental of machines by the month or by the year. Rental rates will be $30 a week, $65 a month, $720 a year.

• • •

For Blind Moviegoers

The Braille Institute of America, Los Angeles, is planning to test in California the idea of preparing summaries of new films in Braille or on phonograph records to help blind moviegoers get more enjoyment out of pictures. Summaries will be prepared and mailed free to blind persons; will give an outline of the story, describing costumes and sets, and introduce the actors. With these mailed to them in advance, the blind movie fans will be able to prepare ahead of time and get a great deal more out of the dialogue.



STANLEY N. JONES

has been elected President of the Winnipeg Grain Exchange.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

• • •

First FM Table Model

Zenith Radio Corp., Chicago, is believed first on the market with FM table models. The new radio, which needs no antenna, is being offered in black plastic at $58.35, in white at $61.85, and in walnut at $74.00. Supply is limited at present, and the new sets are being spread as evenly as possible across the United States.

• • •

Automatic Washing Machine

Akka Top-Flow is the latest from United States washing machine designers. The machine washes, rinses, and then dries up to 10 lb. of clothes in 22 to 30 minutes. Using 10 gal. of hot water (heated on a stove or otherwise) it washes and rinses clothes, drains automatically, cleans the clothes receptacle and shuts off under its own power. The Akka is expected to sell for $30 to $100 under other automatic types. It contains only 30 moving parts, compared with twice as many or more in competitive models.

• • •

"Blak-a-Zell"

Instead of improvising from a clothes closet or fruit cellar, the amateur photographer may now buy a completely prefabricated dark room with wiring and plumbing built in. The Blak-a-Zell dark room can be assembled by one man in six hours according to distributors. It is equipped with plumbing, shelves, racks, stainless steel sink, air filters, and space for exhaust fan. Side walls are bolted together with sponge rubber gaskets and the roof is hinged on. Plumbing can be connected to a garden hose if desired.

• • •

Electric Lawnmower

Latest in lawnmowers is the "Electrimo" now being marketed in the United States. It is run by a universal motor mounted inside the steel cutting blade, operates on 110 volts. Over-all weight is 40 lb. and outside width is 17¾ in. The cutting blades themselves are 16 in. wide, extending to within less than one inch of the extreme outside dimensions of the frame. The mower rides on two free-turning metal rollers located behind the blades, and two smaller wheels are placed at the forward end to keep the frame from nosing in when it approaches sharp inclines. The motor is controlled by a push button on the handle which snaps it off automatically when hand pressure is released. Cutting blades are protected from damage by a slip clutch.

• • •

Fender Bumpers

"Contact" fender bumpers, which clamp to automobile fenders or running boards, warn the driver how close he is to a curb. A rubber embedded, closed-end spring, scrapes along the curb, "telegraphing" the noise through the car body. The device comes with an adjustable steel bracket and lock nuts requiring no holes to be drilled. It is just slipped along the under edge of the fender or running board and tightened. Steel bracket and metal plates are cadmium plated.

• • •

Aluminum Stepladder

A five-foot stepladder weighing only 16 lb.—no more than a light chair—can be bought now in Canada for home, commercial or industrial use. It is designed with column-and-beam structure, much as a steel skyscraper. Originator is Aluminum Ladder Co., Worthington, Pa.

• • •

Rest Room Deodorizers

Two major oil companies in the United States are reported to be fitting a new Airkem Red Label Rest Room Air Freshener into their plans for keeping service stations up to the minute. The new Airkem device consists of two rolled steel, white enamel wall cabinets with locking devices for each ordinary rest room. Each cabinet contains one 15½ oz. bottle of solution and it is put to work merely by raising the wick on each bottle.

• • •

No Little Tin Cup

Gone is the rusty tin cup usually chained to water pumps in the country school yard, with the advent of a new "fountain" pump. The device is attached to an ordinary well pump. The thirsty person simply pumps the handle a few times to build up pressure then walks around to the other side and drinks from the stream of water released. There is even a catch basin underneath, for benefit of birds and beasts.

• • •

Less Bragging Please

Pressure is developing in the United States in an effort to tone down "brag" advertising on the part of the dye industry. Last June the Federal Trade Commission issued a complaint charging one company with "grossly misleading advertising" of a household dye. The company countered that the Commission's action places "an unfair competitive burden" on it, while other firms are using "more sweeping" claims. Say the company's lawyers, the situation is made to order for an industry-wide conference to inaugurate a program of fair trade practice.

• • •

Hydro-Mist Vaporizer

Insects may survive the hit-and-miss fire of hand-wielded fly swatters and insecticide sprays, but West Disinfecting Company has brought them face to face with the machine age. West's new Hydro-Mist Vaporizer is a completely automatic dispenser of death to bugs. You just fill it with a special fluid and with water, plug it into the nearest electric outlet, set the automatic timer anywhere between one minute and one hour, and let the unit do its stuff

• • •

In-Var-Co Distributors

International Varnish Ltd., Toronto, announces arrangements with Massey-Harris Ltd. to distribute all In-Var-Co. lines of insecticides. Through the M-H outlets will go In-Var-Co. DDT barn spray, DDT home and institutional spray, 2-4-D weed killer, and newer lines still under development.

SILVERWOOD WESTERN DAIRIES consolidated sales increased 8.92%, and retained net profits jumped 35.06% in year ended Mar. 31. A gain of $377,824 in working capital to $852,936 reflects partly the sale of an additional 2,000 preference shares and 14,543 common shares.

Just before end of the fiscal year, the five outstanding bonds issues of subsidiary companies were called for redemption, and a new issue of $1.2 million 1st mortgage bonds was sold. The rate of interest on the new bonds has been materially reduced.

CONSOL. INCOME ACCOUNT

Years Ended Mar. 31:	1946	1945
Sales	$4,959,414	$4,553,170
Gross income	527,576	463,204
Less: Deprec.	76,467	76,408
Bond int.	47,758	49,850
Bank interest	10,794	11,238
Prov. for inc. tax‡	267,000	232,745
Net profit*	125,557	92,963
Less: Pref. divds.	25,000	67,005
Common divds.	55,000	......
Surplus for year	45,557	25,958
‡Incl. ref. EPT	33,000	32,416

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	*$25.11	$18.59
Incl. ref. EPT	*31.71	25.07
Paid	5.00	[a]
Com.: Excl. ref. EPT	1.01	0.79
Incl. ref. EPT	1.34	1.17
Paid	0.55	......

[a] Initial divd. on new stock paid July 2, 1945; on old stock divds. paid to date of redemption Apr. 2, 1945, plus all arrears.
*Based on 5,000 shs. o/s.

CONDENSED BALANCE SHEET§

As at Mar. 31:	1946	1945
Cash & Dom. bonds	$923,383	$434,222
Accts. rec.	145,424	159,565
Misc. curr. assets	21,851	17,230
Inventories	240,956	243,051
Total curr. assets	1,331,614	854,068
Invest. in assoc. co.	145,430	......
Misc. assets‡	181,858	105,723
Fixed assets*	†1,305,645	1,599,872
Goodwill	141,124	141,124
Total assets	3,105,671	2,700,787
Accts., taxes, etc.	478,678	352,183
Bond int.	......	26,773
Total curr. liab.	478,678	378,956
Funded debt	1,200,000	960,150
Reserves	4,365	337,345
Capital stock	971,170	625,740
Capital surplus	64,613	64,613
Earned surplus‡	386,845	333,983
†After appraisal res. of $333,738.		
*After deprec. of	561,615	498,016
‡Incl. ref. EPT	107,500	76,825
Working capital	852,936	475,112

§After giving effect to re-financing Apr. 2, 1946.

FROM SEED
TO CIGARETTE
IN MOTION PICTURES BY C-I-L
ASN MOTION PICTURES

"FROM SEED TO CIGARETTE" to encourage correct methods of tobacco growing . . . to make better-informed growers by showing what happens after the crop is sold . . . was made in co-operation with the Department of Agriculture and Imperial Tobacco Company. The story of C-I-L fertilizer plays an important role in the picture.

With the growing interest in motion pictures for schools and clubs, it is felt that films on a required subject — from the general point of view — can be indirectly most influential in creating greater sales — and better public relations.

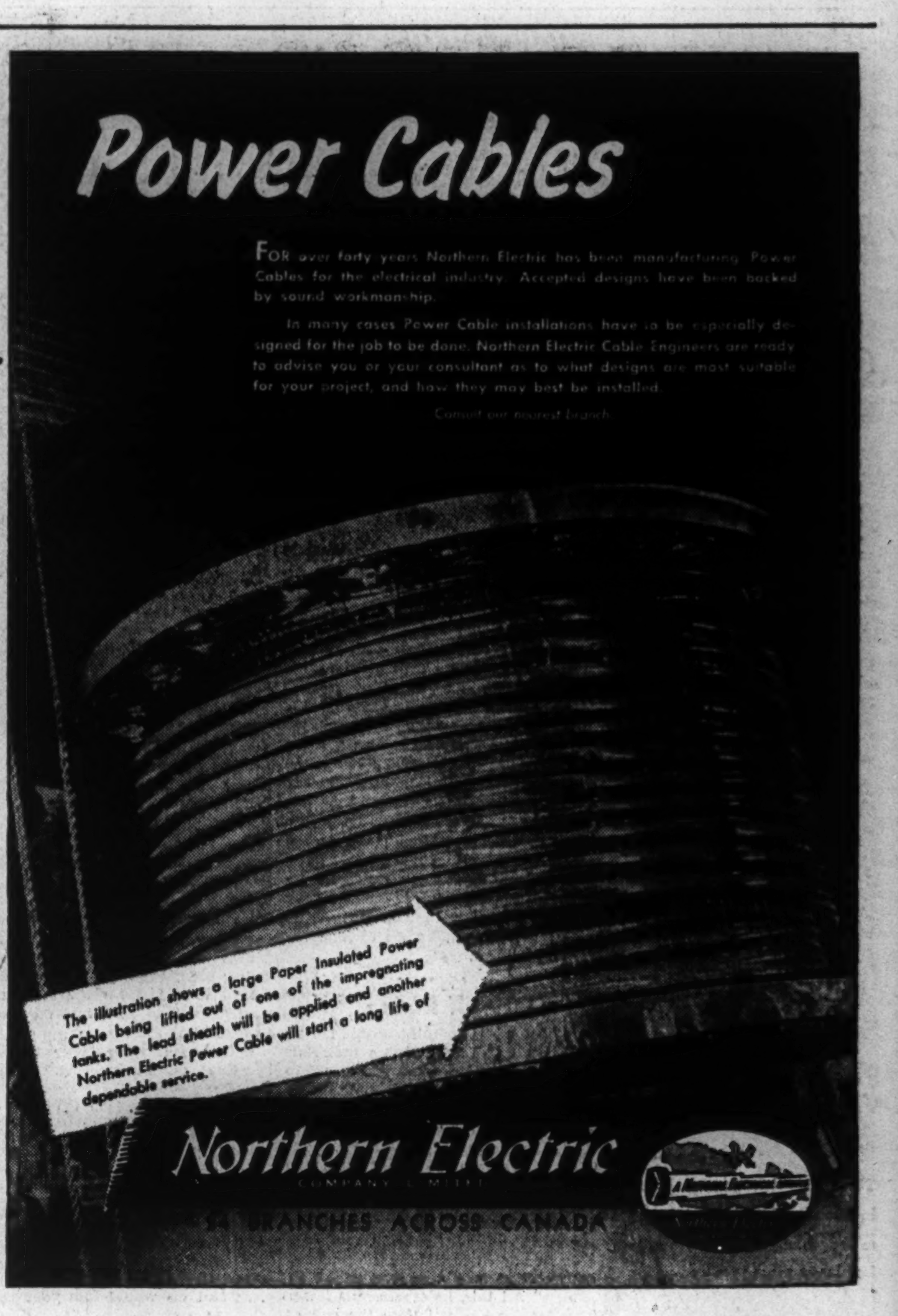
"Direct sales have been attributed to the use of such films," states J. Alasdair Fraser, Motion Picture Section, Advertising Department, C-I-L.

* * * * *

You, too can use motion pictures in *your* merchandising — powerful visual selling. A.S.N. specialists are available to aid in planning details from script to screen.

Write for your copy of "When You Use Motion Pictures"—a helpful guide in planning your motion picture programme.

1921 • GROWING WITH CANADA • 1946
ASSOCIATED SCREEN NEWS
TWENTY-FIVE YEARS ON THE SILVER SCREEN
MONTREAL TORONTO
LIMITED



Power Cables

For over forty years Northern Electric has been manufacturing Power Cables for the electrical industry. Accepted designs have been backed by sound workmanship.

In many cases Power Cable installations have to be especially designed for the job to be done. Northern Electric Cable Engineers are ready to advise you or your consultant as to what designs are most suitable for your project, and how they may best be installed.

Consult our nearest branch.

The illustration shows a large Paper Insulated Power Cable being lifted out of one of the impregnating tanks. The lead sheath will be applied and another Northern Electric Power Cable will start a long life of dependable service.

Northern Electric
COMPANY LIMITED
54 BRANCHES ACROSS CANADA

Bobby's Radio was paid for by the DuMarnays of Tunis

WHEN the Du Marnays of Tunis, or any other family in any other foreign land, buy Canadian goods, the citizens of Canada directly benefit.

For Export Trade is a powerful and vitalizing factor in any country's economy. If Canada is to be fully prosperous . . . with its citizens steadily employed and adequately paid . . . new export channels will have to be discovered and new demands developed.

In peacetime years, Canada was the world's fourth ranking export nation. Today, even that high position can be surpassed because Canada's name, products and quality are now much better known over a vast portion of the world . . . made familiar in country after country, not only by normal trade methods but by the presence of Canada's armed forces during the last world war.

Weston's, a Canadian institution of world-wide scope and service, realizes the importance of export trade to Canada and its citizens. In keeping with Canada's home requirements, an even greater development of world demand is planned for the products of this all-Canadian organization.

CANADA IN NORTH AFRICA

Racial habits . . . customs . . . likes and dislikes . . . packaging for preservation and sales appeal . . . these and other factors are important to Canadians seeking to reach the North African Market. Much fine work in investigation, study and liaison has already been accomplished by Canada's Foreign Trade Service in North Africa. Canadians interested in Export will always find full co-operation from the Department of Trade & Commerce, Ottawa.

Weston's SODA BISCUITS
BISCUITS
BREAD and CAKES

GEORGE WESTON LIMITED · TORONTO, CANADA

The Financial Post

Vol. XL Publication Office: Toronto, September 21, 1946 No. 38

How To Sell Abroad

Coleman Experience in Export Selling Offers Pattern for Others to Follow

By HUGH AGNEW

Twelve years ago, Coleman Lamp & Stove Co., Toronto, wavered on the point of going under in the depression. The domestic market was shot, production was at an extreme low, future prospects glum. In 1934, the company did only $640,000 worth of business, employed only 45 employees. Today Coleman is doing business at the rate of at least $3.5 millions a year, employs 450, and if materials shortages didn't interfere with production, could probably turn out $4 million worth of gasoline pressure lamps and lanterns, stoves, irons and mantles this year. The secret of its success lies in its development of export sales, and Coleman makes no secret of it.

Walter James Weldon is the man who built Coleman into a world-wide organization. He started from scratch and the Canadian factory in Toronto now sells more than half its output abroad. That means nearly $2 millions worth of Coleman made-in-Canada products will be sold all over the world this year from Caracas to Timbuctoo.

"We're operating only at about 20% of capacity right now," Weldon says. "Once brass starts coming in again we'll go into high gear. We have a backlog of $2.5 millions in foreign orders and we should do $3.5 millions worth of business this year — we might even hit $4 millions."

Weldon lists as the prime essential for anyone contemplating selling his goods abroad the establishment of connections with the Department of Trade and Commerce. The next step, following through it, is to contact Canadian trade commissioners in the countries where business is contemplated. Thirdly, he regards it as essential that someone in an executive capacity should go abroad and witness first-hand the conditions of the various markets and find out what is required to ensure "a place in the sun for your goods."

Next comes formation of an export department within the company. It should operate independently and completely separate from the domestic sales department, he says. It should be headed by a man thoroughly trained in all the technique of export activity. The department should be liberally endowed with funds for advertising.

He gives the selection of overseas representatives next priority. They must be top-ranking salesmen, willing to put up with bad living conditions and, if possible, able to speak at least one foreign language.

For Smaller Firms

Some firms, Weldon admits, may not be in a position to establish elaborate export setups. For them there are other methods of distributing wares abroad. He recommends that they establish connections with export buying houses and other agencies which undertake export distribution through representatives in the field.

"Canadian banks maintain branches in many countries," he adds. "They are there to make it easier for Canadians to do business abroad and for others to do business with Canada. As for Canada's trade commissioners, I can't speak too highly of them and the work they do—but they can't be expected to serve as company representatives."

Coleman has boosted its foreign sales of mantles by selling them under the trade and brand names of established distributors in some countries. Thus it manufactures Tiger brand mantle for a Malayan distributor, and Estrella mantles for sales in Mexico. In these cases, Weldon points out, Coleman puts its pride in its pocket because long-established dealers in these two countries had ready marketing facilities under their own names and wanted to handle these mantles as their own. These deals do not exclude Coleman from selling Coleman-labelled mantles alongside identical Tiger and Estrella brands. He mentions this as a suggestion for other manufacturers to think about.

Coleman is willing to go out of its way to make what the people of other lands want. Though it fancies its gasoline pressure lamps as second to none, the company knows there are some countries where the people favor kerosene fuel. "Our kerosene lamp isn't nearly as good as our gasoline models," Weldon admits. "It has no shut-off valve, it leaks if it's tipped over or left in the sun, and it take three or four minutes to get it going with the help of alcohol. But it's what they want in Borneo, Java and China, and so we sell them the Col-Max lamp. There's no sale for it here in Canada."

Going back to mantles, they're big business with Coleman. This year's output may reach 20 millions. Among them are specially made 2,000 candlepower mantles used by fishermen around the Mediterranean coast and throughout the Orient for night fishing.

By keeping a watching eye on market requirements, Coleman's field representatives found their competitors were no longer able to supply glass globe replacements when the war cut off shipments from Sweden, Austria, Germany and the Argentine. Weldon snapped at the opportunity, contracted with Corning Glass to make for Coleman a whole range of globes to fit all sorts of pressure lamps other than its own. "Now we sell virtually the entire world lamp globe market," he says.

One of Coleman's most widely experienced foreign representatives, Richard B. Spiro, was caught in South Africa at the outbreak of the war while there on company business. He has just returned to Canada and has been appointed export manager. En route home, he covered Australia and New Zealand to renew contacts and canvass their markets.

As export manager for an Austrian competitor of Coleman, Spiro made things tough in the early days of the Coleman invasion of the world markets. But he left Austria in 1932 and joined Coleman as its European representative. He has the same enthusiasm for doing business all over the world as Weldon. Says Spiro: "I'd go half-way round the world to get an account started that would be worth $3,000 a year to the company. Big business grows from small accounts, carefully nurtured."

Weldon doesn't feel the war did any harm to Coleman's foreign business, even though foreign customers saw no new Coleman lamps until it was over. It's possible, he says, the war might have had the opposite effect of enhancing the company's prestige, since as it was successful in maintaining its service and repair depots and kept most of its pre-war lamps burning.

"We're a sort of an international public utility," he says. "We make it our job to supply those parts of the world that have no gas or electricity with light and heat and we accept the responsibility of maintaining the service when breakdowns occur."

Now that Coleman is back on peacetime production and back on the world markets, the company keeps a wary eye on indications of future competition. A while ago Weldon spotted a news item that mentioned the Russians are operating a competitor company's plant in the Russian-controlled sector of Germany. They pay wages ranging from eight to 14 cents an hour and the lamps they make retail at $2.97 (military rate). It's this sort of thing that presents the Canadian manufacturer with his greatest challenge.

It's the kind of challenge Weldon is willing to take up and he'd like to see other Canadian manufacturers do likewise.

He's been accepting export challenges now for the best part of 20 years and thrived on it. No one but Weldon, for instance, was enthused about the prospects of Coleman's Toronto plant when he came here to take it over in 1934.

It had been established in 1920 to supply the Canadian market. From 1920 to 1934 it had averaged $200,000 a year output, sold about $30,000 worth of goods abroad annually. By 1934 it had become apparent the Toronto factory could never survive on sales to the Canadian market alone.

That year, the parent company changed its policy. About 1927, it had gone seriously into the export field with establishment of a separate export corporation. By 1934, its sales had been expanded to the point where the Wichita plant could scarcely handle them and meet domestic requirements too. The logical thing was to revive the Toronto company with an injection of export business and Weldon was sent to Canada to do the job.

His selection was no accident. He had joined Coleman on the eve of the parent plant's big export drive in 1927 and made it a success. And he had a further six years of selling experience abroad behind that.

Walter James Weldon was born in New York, had a public school education, sold newspapers in Brooklyn and went west at 17 to be a cowboy for five years. Then he returned to New York and got a job with Montgomery Ward's mail-order house.

When the United States entered Great War I, Weldon joined the navy. When armistice came, he joined a New York exporting firm to become a salesman. He was sent to India and spent six years roaming the Far East, selling such goods as Chesebrough's vaseline, Willard batteries, Yale locks, Postum, Colgate's toothpaste, Listerine, Gillette razors, Quaker oats.

His territory covered India, Burma and almost the whole Pacific coast of Asia, including most of the islands that were to become battlefields in 1942. He sold porridge to the Japanese who don't like porridge—or didn't until he dreamed up a recipe of his own in which Quaker Oats was blended with rice and some other popular Japanese staples. To boost vaseline sales in China, he taught the Chinese to slick their hair with it. Singapore's tea-drinkers developed a taste for Postum only after he brewed the beverage for street vendors and supplied them with free initial stocks.

Back in the United States in 1927, Mr. Weldon ruminated in the Adirondacks. He toyed with the idea of going into the export business on his own. Then he heard about Coleman's export plans and went to Wichita to see what was up, met Coleman officials, found his ideas fell in with theirs and decided to string along with them in their new export corporation in Chicago. That move eventually brought him to Canada.

When he arrived in Toronto he turned his attention to the production end of the business. Prior to 1934 the Toronto factory had been merely an assembly plant, importing parts from the United States and putting them together. Weldon installed new machinery, took on staff and began complete manufacture.

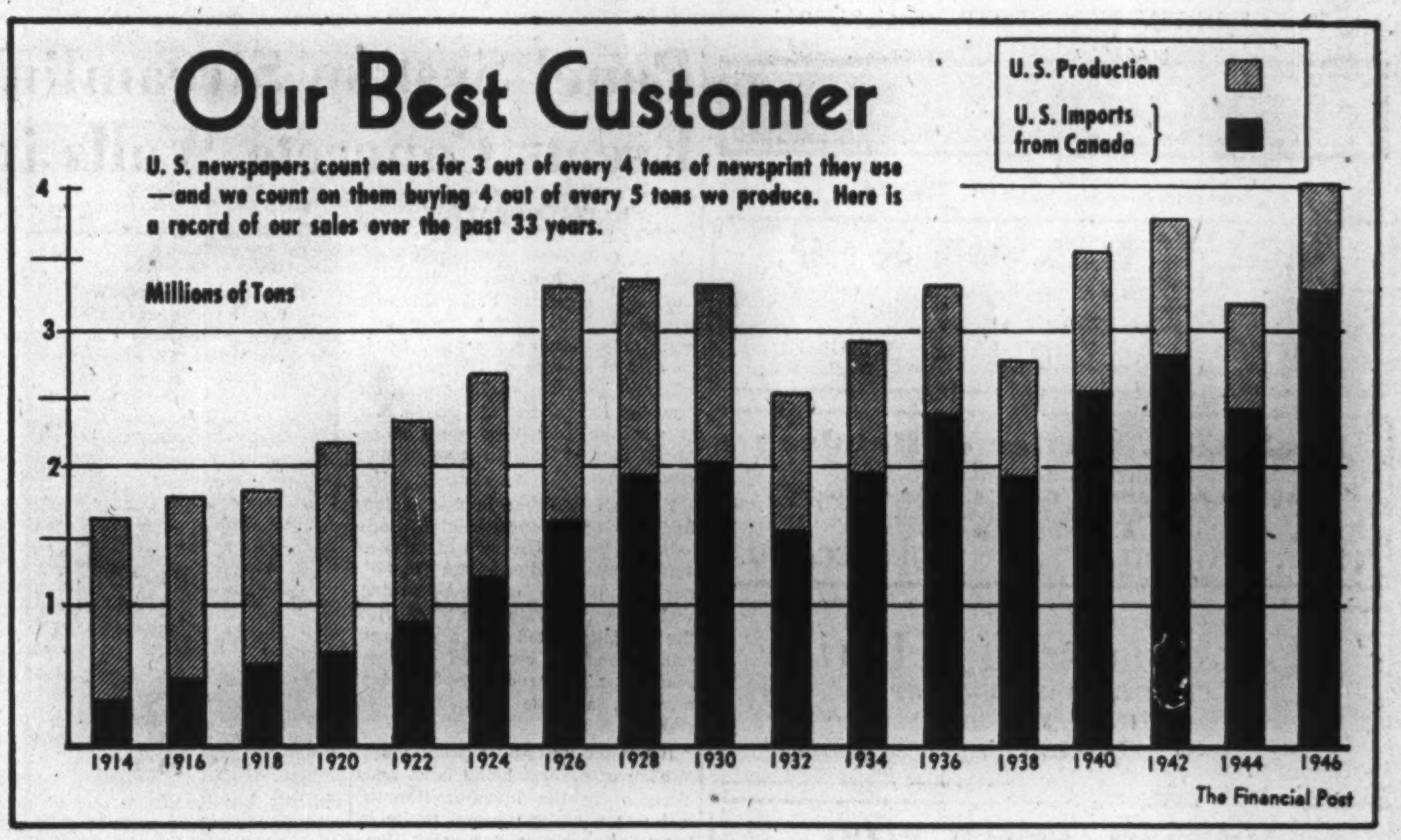
Then he went to Europe to look for business. Then to Mexico and right after that to South America.

Back in Canada with a fistful of orders, Weldon began to step up production. Costs began to go down. In 1934 a standard Coleman lamp retailed for $13.95 in Canada. By 1940 the plant was able to make the same lamp for $3.95.

War interrupted his plans, but Coleman workers pitched into war orders with the same enthusiasm. After V-J Day they reconverted quickly and could now produce 2,500 appliances a day to meet a heavy backlog of export orders if they had the material.

Ask him how he happens to have such a backlog of foreign orders when the company was engaged throughout the war solely on war production and he'll tell you the company did not forget its foreign representatives while the war was on.

"We were able to send most of them small token shipments," he says. "But we couldn't begin to fill their orders. All the while, many of them kept up the Coleman agencies, maintained Coleman service. For months on end when they hadn't a thing to sell, no commissions coming in, we kept them on at $100 a month to help tide them over. So we still have all our old pre-war representatives working for us."



Our Best Customer

U. S. newspapers count on us for 3 out of every 4 tons of newsprint they use —and we count on them buying 4 out of every 5 tons we produce. Here is a record of our sales over the past 33 years.

Principal reason for the current boom in the newsprint industry (see p. 25) is the unparalleled U. S. demand. It is estimated U. S. consumption will be up 25% this year, all of which will come from Canada. But this doesn't tell the whole story. Canada has had to make good the disappearance of all pre-war U. S. imports from Scandinavian countries as well as meet the increased demand. Chart shows counterbalancing effect of the increased Canadian imports since 1914 on steadily decreasing U. S. production.

Patents Pending—Sometimes 5 Years

Applications Bogged by Thousands In Ottawa's Archaic Patent Office

By KENNETH R. WILSON

OTTAWA—Had Parliament not been in such a big hurry the last day or two before prorogation, much more would probably have been heard about the deplorable state of affairs in respect of the Canadian Patent Office.

Enough was said to highlight the fact that the Patent Office is one of the most inefficient and backward administrations in the entire government. For example:

1. Hon. Paul Martin, Secretary of State and the responsible minister, admitted that the average lapse of time between the arrival of a patent application and the issue of an official filing receipt was about two years.

2. He admitted that 20,000 uncompleted patent applications are now before the Canadian Patent Office.

3. He admitted that 10,000 uncompleted applications were three years old (that is: had been lying around the patent office for three years).

4. He admitted that between 5,000 and 6,000 that had been in the office for four years and were still uncompleted, that another 4,000 had been there five years or more.

Most critics familiar with the situation cast no aspersions whatever on the competence or assiduity of the Patent Office staff. They say these people are grossly overburdened; that this overwork plus the archaic system they are called upon to operate is the fault.

Pleads Staff Shortage

The only defence for this unbusinesslike state of affairs was that the older and mustier of the uncompleted applications (those three, four, five years or more) were in part secret applications which had been filed during the war and could not be examined for security reasons. These applications, said Mr. Martin, were only now being released from secrecy. It was also pointed out that although patent applications had increased 38% since 1929, the staff of the department had been cut by 25% because of war demands.

Most consistent and outspoken critic of the Canadian Patent Office has been the Patent Institute of Canada, comprising professional lawyers and solicitors who stand as intermediaries between would-be patentees and the department at Ottawa. Repeatedly the Institute has needled the government to do something about patent administration; customarily with little or no result.

A national patent office, it is pointed out, has two administrative functions: (1) to see that patents are issued promptly to the proper persons; (2) to act as a public library of information on the subject.

"Neither of these administrative functions has ever been properly performed by the Canadian Patent Office," says a memorandum of complaint prepared last year by the Institute. "There has been a traditional neglect of both, not because the administrative officers concerned did not recommend their performance, but because successive governments have been satisfied to allow tradition to govern and reluctant to provide the funds necessary to permit the office to operate efficiently.

Defects Cited

As was pointed out both in Parliament and in the memorandum quoted, the Patent Office, as now constituted, is a revenue-producing branch of Government; therefore no direct drain on the public treasury is necessarily needed to put its affairs in order. There seems general agreement also that would-be patentees would not object to paying a larger fee, were they able to get satisfactory service.

Basic defects in the Canadian system (apart from the sluggardly operation of the Office) are listed as follows:

1. Absence of proper provision for reproduction of copies of patents once issued.

2. Failure of the Canadian Patent Office to meet even its own statutory requirements of patent search and examination so far as prior patents taken out in other countries are concerned.

3. Inadequate and primitive facilities for searching of Canadian patents.

"Arrangements for making an examination in the office, of the state of an art, as disclosed even in Canadian patents, are of the most primitive character," says the Patent Institute. "Contrary to the practice of almost all other patent offices, the Canadian Office has never made copies of the specification of the patents it issues available for distribution."

"Archaic" System

Thus of each Canadian patent "specification" there exists, normally only two copies. These are supplied by the applicant. One is attached to the grant when issued. The other remains in the appropriate Patent Office file. A selection is made by the Patent Office of the patentee's "claims," and not more than four of these claims (even if the patent contains 50) appear in the weekly Patent Office Record. The Record also produces on a very small scale, two or three of the principal drawings (if any).

Apart from the meagre information on the Record, one Bristol-board copy of the drawings is retained by the examiner in whose particular "field" any one patent happens to fall. It is contended, therefore, that proper examination of any particular "field" by a would-be patentee, or by patent examiners themselves when they are studying a new application, is little short of impossible.

This archaic system is also said to have a direct bearing on the arrangements for public search of the Patent Office, arrangements which the Institute also describes as "incredibly deficient." Again, the chief reason given is the absence of any complete reproduction of Canadian patents, or even a classified index of them other than the several examiners' file of Bristol-board drawings and cuttings. The present system whereby an enquirer attempts to find out whether or not he is free to make or use a given article or process, is described as something like this:

(1) An oral request to the classification examiner to indicate in which of the divisional examiners' Bristol-board sets information relating to a given class of articles or processes is likely to be found.

(2) The successive interruption of the work of each of the examiners in charge of possibly relevant sets and the examination of these.

(3) If nothing is found, a further request to the classification examiner to suggest other Bristol-board sets which usefully might be examined.

(4) If in any Bristol-board set a possibly relevant prior patent is identified, the drawing of the file of that patent for the purpose of examining the complete specification.

(5) If the relevance of a prior patent remains doubtful to the searcher, the ordering of a certified copy of the specification at an average cost of about $2.25.

(6) The postponement of any further step for a period of anything from one to eight weeks before the certified copy or copies ordered can be supplied.

(7) The making of a report to the member of the public concerned enclosing any certified copies obtained and cuttings from the Patent Office Record relating to others which might have a bearing on his problem.

"Cumbersome, Time-wasting"

"It would be difficult," says the Institute, "to imagine a more cumbersome, time-wasting and unsatisfactory procedure for obtaining the very kind of information for collection and dissemination of which the Patent Office exists."

On the question of Patent Office delays, the Institute last year prepared figures which throw further light on what was publicly admitted in Parliament last month. The Institute quotes one particular patent (No. 314,696) as having taken 12 years to go through the Canadian office. It was finally issued in August, 1931. This was exceptional, it is noted, but "the average interval is substantial, and has increased during the war."

Examination of the Patent Office Record by the Institute for June, 1939, and June, 1945, shows the intervals which elapsed between application for and issue of a patent. In the former month (June, 1938) there were 620 patents issued and in June, 1945, there were 525. The time lag in each case was:

Lag in Handling of Applications by Canadian Patent Office

Applications Handled in:	June 1938	June 1945
	%	%
(1) Less than 6 months	1.6	.8
(2) 6 months to 1 year	12.8	12.5
(3) 1 year and 2 years	49.8	35.0
(4) 2 to 3 years	26.8	28.7
(5) 3 to 4 years	6.4	11.9
(6) 4 to 5 years	2.6	6.5
(7) Over 5 years	1.6	5.5
	100.0	100.0

Changes Urged

Positive proposals made to the Government over a year ago by the Institute for changes in Patent Office practice were:

1. Copies of all current specifications be made, so that they be available to all examiners and obtainable by the public on demand at a cost not exceeding 25c. each. (Subsequent representations are understood to have been made, pointing out how this could be done via a rotaprint method with little or no additional cost to the Treasury.)

2. Sufficient additions to the examining staff to enable the office to overcome delays in dealing with applications.

3. At least one complete classified set of copies of specifications of current Canadian patents available for search by any interested person and earlier specifications included in this set wherever possible.

4. Classified set of U. S. patents now in use, or a duplicate set of it, available for search by the public.

5. Sets of copies of the specifications of patents issued in other principal countries should be obtained and classified and made available for search by examiners and the public.

6. Cross index of specifications of the patents now included in the examiners Bristol-board classified sets.

7. Patent Office should have proper quarters where the documents it now possesses may be readily available. (In the 10 years 1935-44, the Patent Office had an over-all surplus of $1.4 millions out of net receipts of $3.6 millions.)

8. Publication of the classification adopted for Canadian Patents, so that the public may know without oral direction, under what heads to search for patent specifications.

Mounting Production Heralds Record Pulp, Paper Earnings

MONTREAL (Staff) — Steadily mounting production to meet unprecedented export and domestic demands is expected to send this year's pulp and paper industry earnings soaring to an all-time high.

Mills are operating at 96% of capacity (highest in history); newsprint production is up 30%; July shipments to the United States were up 33% over 1945, 82% over 1939.

Wages have nearly doubled (see accompanying chart); so have payments for raw materials. The United States now counts on Canada for three out of every four tons of newsprint it uses and Canada sells four out of every five tons she produces. It all adds up to the greatest investment return in the history of the industry.

Major factor in the increasing demand from the United States is pyramiding circulation and advertising linage. In the first six months of 1946, total newspaper and magazine linage was 1,787 million lines, a 38% increase over the same period in 1945. Total daily and Sunday circulation in 1945 was 88.3 million; 71.2 in 1939.

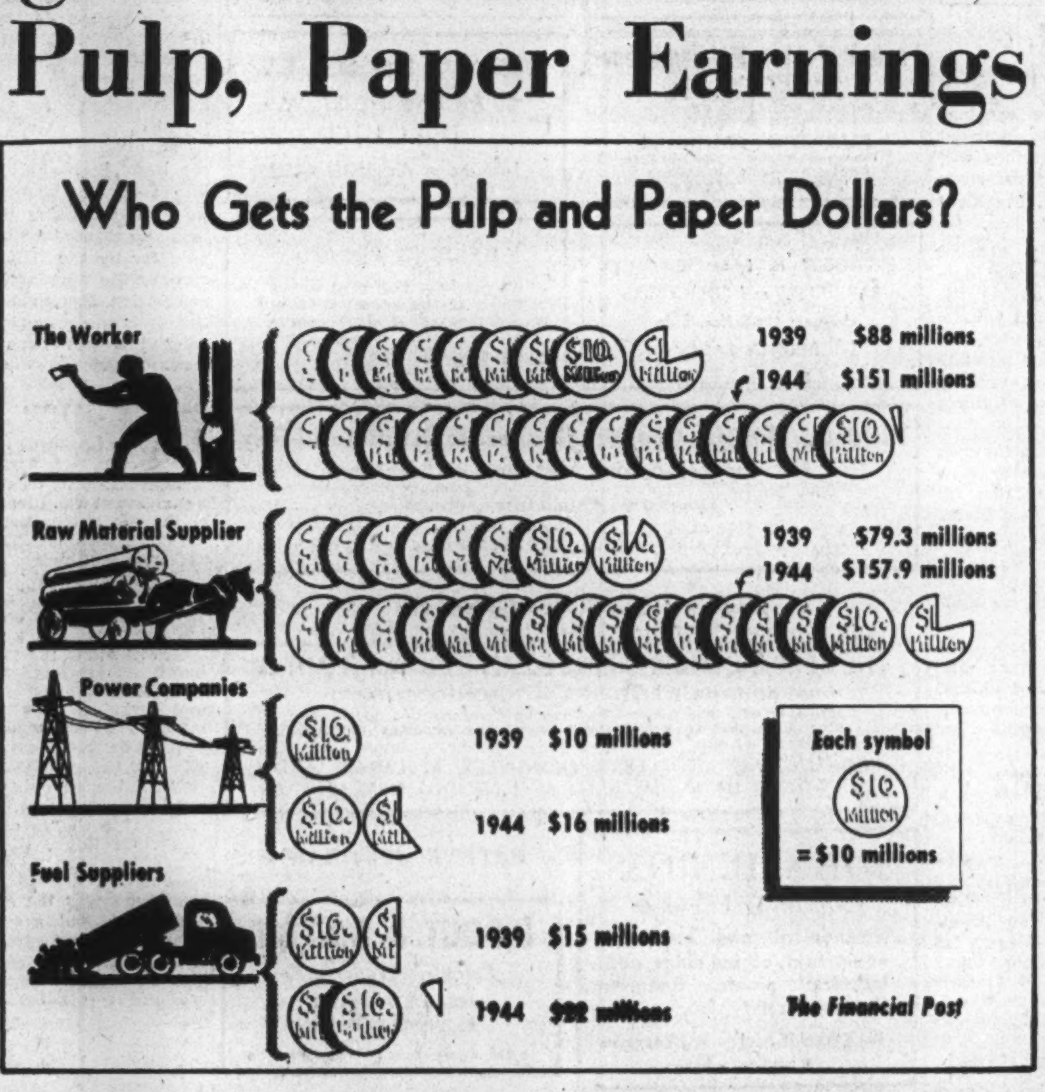
Other factors contributing to making 1946 the greatest year in the industry's history are: new uses for paper and pulp products (fine paper mills are producing 800 varieties); price increases; depleted pulp and paper inventories; future competition limited as competitive countries are already operating at capacity; reduced 1947 taxation.

The industry is Canada's largest exporter of manufactured goods, supplying bulk strength to overseas trade from which one-third of the nation's income is derived.

In the first seven months of 1946, shipments amounted to $218 millions, 17½% of the total value of exports in that time; 26% more than for the corresponding period in 1945 and nearly 50% more than for the full year of 1939.

Prevailing prices for all types of pulp and paper products are probably higher today than at any time in the last 18 years, although rising costs have limited the extent to which record gross earnings could be reduced to distributable income.

In view of this, most observers agree the answer to the current level at which securities are selling can only be found in the old financial adage: "Declining markets take no account of company earning power."



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Panel System Streamlines Housing Erects Concrete Walls in 48 Hours

By CLIVE CHATTOE

Three men with a derrick at Kitchener, Ont., one morning last week had a bigger-than-usual audience of building experts and sidewalk superintendents. The workmen were only building one small house in a local scheme of 116, part of a national program of thousands for Housing Enterprises of Canada. But it was the way they were going about it that excited construction fans.

Never before seen in that region, and only once before in all Canada—in the Toronto suburb of Mimico a few weeks earlier—were the tall, narrow panels of fine-textured white concrete which the three with the derrick hoisted onto a prepared foundation and cemented together ready for the roof by Saturday morning, a mere 48 hours after starting.

It was the first Sa-Co panel house, outside of several being built near Toronto by the inventor himself, and was winning unusual praise in construction circles as a revolutionary method, with important possibilities for faster, cheaper, quality building.

Round World Before Mast

Inventor-manufacturer Hans Sachau is a German-Canadian of Danish extraction with a head full of figures, left foot in boat building, right foot forward in housing. Born in 1901 in Schleswig-Holstein, son of a doctor with shipyard-owner clients, he went into the yards at 12 and, by the time he graduated in naval architecture at Hamburg Institute of Technology, had been twice around the world, once before the mast. As manager of a shipyard in Sondenburg, Denmark, and of the Stocks & Kolb yard at Kiel, he developed knowledge of wooden aircraft and seaplane design.

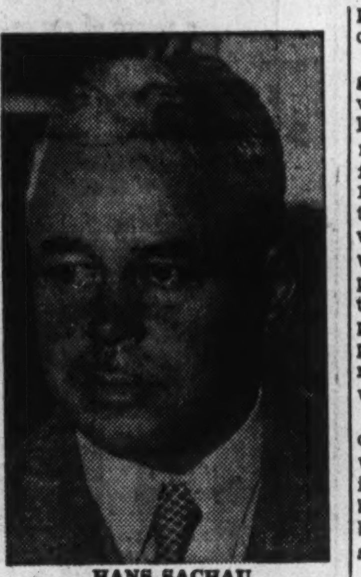
Coming to Canada in 1928 he set up a year later the beginning of his present main plant at Humber Bay, flanking Toronto's west lakefront, with the idea of building aircraft. But in this Sachau was a decade too soon; he switched to boats and since, under the name Sachau Marine Construction Co., has built motor boats and yachts including the reputedly largest schooner on the Great Lakes and nine of Canada's wartime Fairmiles. He did, however, return part way to his first approach; built plywood rudder fins for de Havilland's famed Mosquito bomber, as well as physical therapy equipment of his own design for military hospitals.

To diversify the largely seasonal boat operation Sachau added store fixtures. He now plans to produce a storage wall for houses, as well as his new panel and complete houses themselves.

Combines Two Approaches

A chunky 5 ft. 10 in. 200 lb. figure, with a full white thatch over ruddy face, Sachau talks enthusiastically and with a bit of an accent, about his proposed new privately owned Sachau Construction Co. It will, he says, engage (a) as direct builder with the Sa-Co panel, (b) as manufacturer and licensee of the forms, equipment and method for use by other builders, and (c) as manufacturer and licensee of interior storage walls.

But the thing that makes Sachau significant is that he, like Plywood Fabricators (The Financial Post May 18) aims to combine two of the main approaches to low-cost housing — prefabrication and quantity neighborhood building. Both methods have brought big savings individually but Sachau is one of the first to show how well they work in double harness.



HANS SACHAU

Besides manufacturing panels for experimental application in the Housing Enterprises programs, he now is building the first two of a contemplated 50 houses in the $7,000 to $8,000 two-bedroom class in suburban Mimico; the first of another proposed 50 in the $12,000 to $20,000 class near suburban Islington. Claim is made that with the concrete panels, costs may be 15 to 25% below brick veneer construction and 25 to 40% below solid brick.

Final Test Near

While some established builders contest these figures as overly optimistic, others concede the saving is substantial. Last word will be when Sachau has gone further with his building program; established his figures on actual large-scale production of the Sa-Co panel and of houses employing it.

The new material is an attempt to get something that goes up quickly with less skilled help and less reliance on standard and thus scarce materials. The panel is steel reinforced, 16 in. wide, 8 ft. long, weight 150 lb. Thickness varies from 2 in. to 6 in. for the rib section through which temporary bolts are passed, while concrete jointing material is poured from the top. Then a continuous concrete beam is poured in place in a wood form along the panel tops, after which the ceiling, roof and partitions are framed of wood in the ordinary way.

The panels automatically form an outside finish; inside, insulation and wallboard or plaster are added as in the case of standard wood and brick construction. For a house 24 by 24 ft., with two bedrooms, 74 slabs of several sizes are required.

Ingenious Forms

Ingenious forms of steel are used over and over again in casting the panels. They can be employed on the job site as well as in a central factory.

One building research authority, not in any way directly interested in the Sachau method, lists for The Post some of its advantages over conventional methods:

1, Overcomes shortage of conventional exterior materials;

2. Speeds erection — wall complete in a day under ideal conditions;

3. Definitely lower cost for outside wall as compared with conventional methods;

4. Low exterior maintenance cost;

5. Erection by unskilled labor.

As to disadvantages, the same authority told The Post he couldn't think of any offhand.

Maybe Sachau really has something.

Langley's Ltd. Earnings High

Pleased with indicated earnings for Langley's Ltd. for the current fiscal year, directors trust they will be enabled to institute a satisfactory dividend policy for 1947, President S. R. Mackellar states.

Loss of approximately $125,000 yearly through closing of six out-of-town branch stores during the war has been made up and volume of work continues to increase, the president says. Indications point to a new high in 1946 sales volume. Practically all these sales originate in Toronto.

The company continues to open new branch stores whenever suitable locations are available in picked districts. Three new stores have been added this year, giving the company a total of 29 in Toronto. Operations in the new Hamilton plant are expected to start early in the winter.

Shortage of supplies has been more of a problem this year than during the war period and normal conditions still appear some months away, Mr. Mackellar states.

Park Line Sells 12 More Vessels

MONTREAL, (Staff) — Twelve more Park ships have been disposed of by the Park Steamship Co. Ltd. acting as agents for War Assets Corp. This brings total sales to 119 up to Aug. 31, with total dollar value $56,726,163, an average of $476,690 each.

Recent buyers include the following:

Company:	Purchases	Type of Vessel
Montship Lines Ltd.	1	10,000 ton dry cargo
Norwegian interests	2	10,000 " tankers
French interests	1	10,000 " tanker
Federal Commerce & Navigation Co. ...	2	4,700 " dry cargo
Argonaut Navigation Co. ...	1	10,000 " freighter
Acadia Overseas Freighters	1	10,000 " dry cargo
Triton Steamship Co.	2	10,000 " dry cargo
Elder Dempster Lines	3	10,000 " dry cargo

Farmers First to Feel Pinch In Alberta Nondelivery Strike

From Our Own Correspondent

EDMONTON — Northern Alberta is feeling the effects of the farmers' non-delivery strike, launched Sept. 7. Farmers, depriving themselves of their usual cash returns, are unable to spend as freely as usual, and merchants report a falling-off in trade. Edmonton's four packing plants have laid off 1,200 men, because of insufficient livestock arrivals, to keep them employed.

Lack of buying power here, in turn, hit British Columbia fruit farmers; carloads of fruit shipped to many country towns, were reported spoiling, from lack of purchasers.

Picketing remains confined to country districts and appears to be thorough. In one week sporadic outbursts on the part of farmers resulted in 12 arrests, 11 convictions and a total of $347 in fines collected.

Illness has been given as the reason for the resignation of James A. Jackson, Irma, vice-president and former president of the Alberta Farmers' Union. He said his resignation was not to be regarded as a split in the ranks, but admitted he was not in full harmony with strike procedure.

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Alcan Exports 12,000 Tons To US Monthly

Reynolds Kaiser Buying For Fabrication in Big US War Surplus Plants

MONTREAL (Staff)—Though official DBS statistics on August aluminum ingot exports won't be available for several weeks, U.S. trade sources calculate Aluminum Co. of Canada ingot exports to United States are now averaging 12,000 metric tons a month.

If their calculations are correct, such a level of exports would equal in one month what the U.S. had imported from Canada during the first seven months of the year. In terms of current levels of Alcan production, it would represent 70% of monthly production. Alcan now is operating at an annual rate of 200,000 metric tons or 40% of peak war production.

It's All Commercial

What makes this 12,000-ton U. S. export volume even more reassuring, however, is that it is based exclusively on commercial contracts. Bulk of Aluminum Co. of Canada first half year exports to U. S. represented final deliveries on war contracts negotiated between the company and Metals Reserve Co., acting on behalf of the U. S. Government. Last war contract was completed a year ago, Assistant Director Robert Leahy of Metals Reserve Co., tells The Post, but the ingots had been stockpiled at Aluminum Co. plants. During the first six months of 1946, however, this material was very largely imported into the U. S. by Metals Reserve and either sold to the trade there or stockpiled.

Canadian aluminum ingot shipments are for replenishment of low U. S. industrial stocks, not for stockpiling, Washington sources state. Even if this material is added to the list of raw materials being bought for strategic reserve (it wasn't included in the original list though bauxite was—The Financial Post, Sept. 7) aluminum is one item likely to come under the "Buy American" provision, according to the U. S. munitions board. But if the U. S. Government subsequently decided to re-enter the Canadian market for aluminum ingots, the transaction would be handled by the U. S. Treasury, acting as procurement agency for the Army-Navy Munitions Board, and not Metals Reserve Co., as in the past, Mr. Leahy said.

Reynolds, Kaiser Buyers

Biggest factor behind the indicated sharp increase in current exports of ingots to U. S. is held to be the resumption of activity in what were formerly government-owned continuous sheet fabricating plants. Closed down since V-J Day, these plants have recently been assigned to Reynolds Metals Co. and the Kaiser interests. At present there just isn't enough U. S. ingot production to handle their requirements. That is the only interpretation that can be placed on volume ingot exports to U. S. at the present time.

Another development forcing U. S. fabricators to come to Canada for ingot is held to be the current U. S. aluminum scrap shortage. Scrap supplies in that country are now said to be so acute that remelt has recently been selling as high as 14½c. a pound, the price of aluminum ingot. Under these circumstances it is understandable why virgin metal is being used to replace scrap, the shortage of which has largely priced it out of competition with ingot. Over a period of time about one third of the aluminum consumed by fabricators is scrap.

DBS statistics on overall aluminum ingot exports for the first six months show 50,000 tons against Alcan production of 75,000 tons. Of the latter, perhaps 7,500 tons went into Canadian domestic consumption, the balancing figure of 17,500 tons represented either by material paid for by the U. K., but undelivered, or the time-lag between Alcan production figures and DBS statistics. It is understood that the company has not been building up inventories.

Int. Paper Makes Fourth, Last Call

MONTREAL (Staff) — International Paper Co. directors last week called for redemption at the opening of business Oct. 15, all remaining shares of cumulative convertible 5% preferred stock at 105 and accrued dividend, totalling $105.21 per share. This is the fourth and final call of the company's 5% preferred stock.

How much of the remaining cumulative convertible preferred stock will be converted and exchanged and therefore how much will remain to be redeemed on Oct. 15, cannot be ascertained in advance. At Aug. 31, 203,078 shares of 5% preferred were outstanding.

There were originally outstanding 925,966 shares of 5% preferred stock. Of these, through Aug. 31, 552,235 had been converted into common stock, 150,038 had been exchanged under the offer of June 5, and 20,615 had been retired as a result of redemption on the three previous calls, the company informs The Financial Post.

Share capitalization at Aug. 31, was:

	Shares
Common stock	3,306,328
Cum. convert. 5% pfd.	203,078
Cum. $4 pfd. stock	150,038

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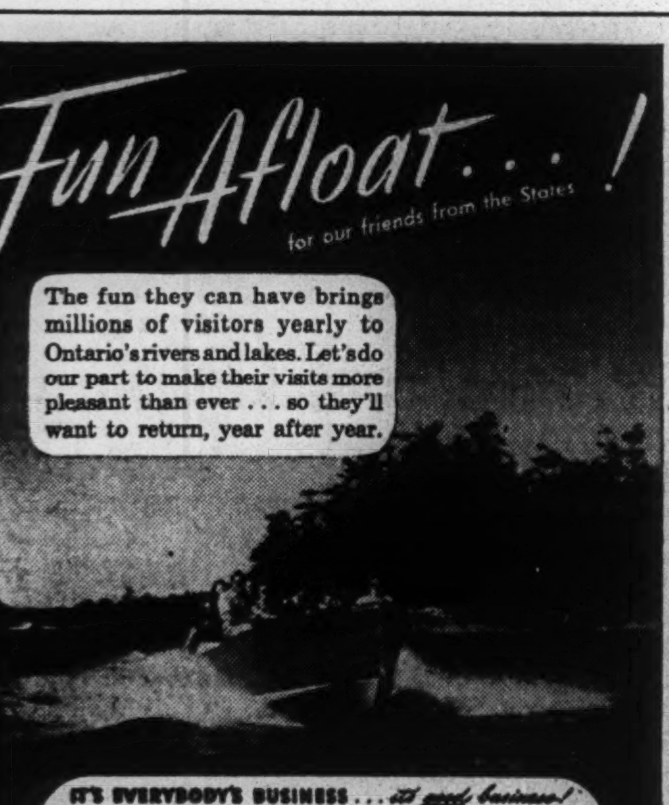

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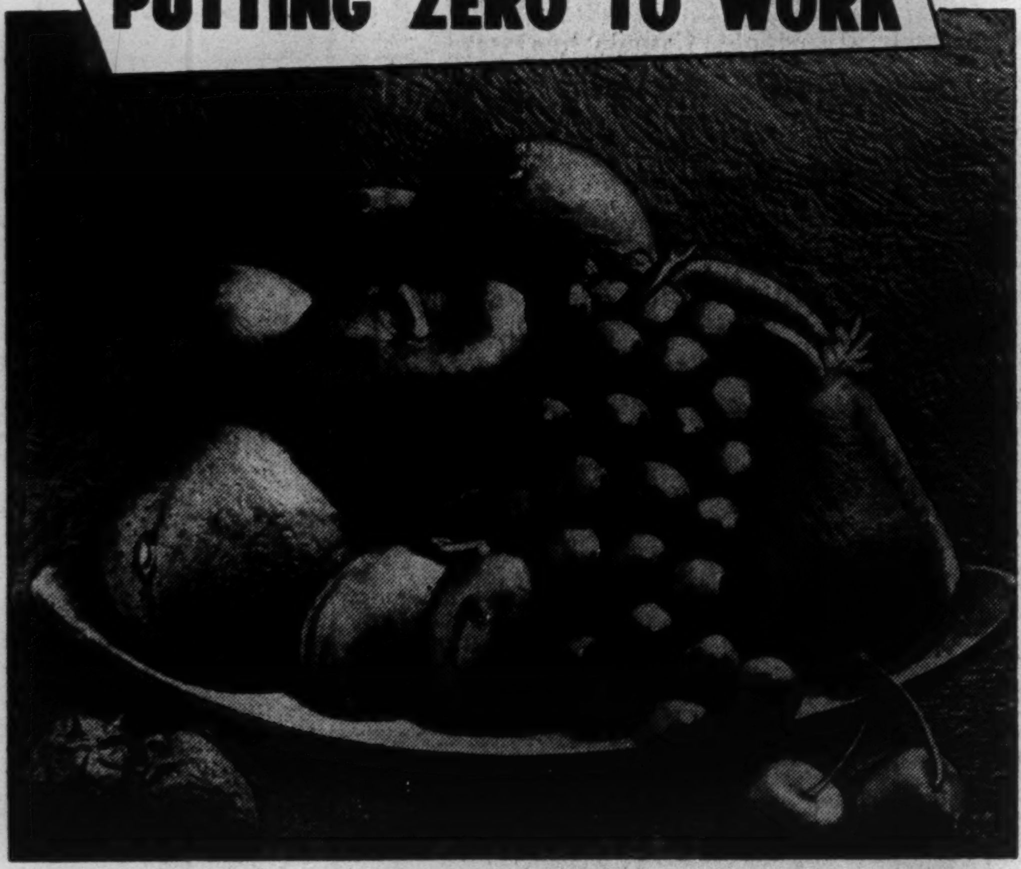

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INVESTMENTS

Nonresident Tax

I only received $2,699.43 in exchange for 80 shares of Canadian Car & Foundry Pfd. stock from my bank in England. This stock, as you know, was redeemed last Feb. at $35 a share. Why didn't I get the full redemption price of $2,800 plus accrued dividends?

Part of the redemption price and the dividends that you received on an accrued basis were subject to the 15% non-resident withholding tax. Actually the tax was applied to $10.00 of the redemption price, the difference between the par value ($25 per share) and the redemption price ($35 per share). This tax amounts, in your case, to $120 on the 80 shares that you redeemed. The accrued dividends that you would normally expect to receive for your 80 shares would total $23 or $19.43 after deducting the 15% withholding tax.

Inco and Noranda

I have been considering purchase of International Nickel and Noranda shares for a short hold, perhaps six or 12 months. Do you think that would provide me with good capital appreciation or had I better hold off? I know you dont give opinions but I would be interested to hear any ideas you may have on this subject.

In considering whether shares of International Nickel Co. of Canada and Noranda Mines should be purchased for a six to twelve months hold, it is important to realize that the course of the stock market generally may be as important, or even more important, than developments at the properties of the respective companies.

In recent weeks, investors have witnessed one of the sharpest breaks ever to occur in the New York market and while the Dow-Jones industrial average is still well above the 151 low of 1945, the sharpness of the break may be indicative of a further decline before the stock market finds a satisfactory new "bottom."

Both Noranda Mines and International Nickel have been experiencing difficulties recently and even the market declines which have taken place may not altogether discount adverse factors which have been met.

Noranda was hit rather severely by the cut in the price of gold as half of the Horne Mine revenue comes from gold and the company's subsidiaries are chiefly in the gold mining bracket. Shortage of labor at the Noranda Mines has necessitated a sharp curtailment of production. There is also some possibility of a strike at the company's mines although a conciliation board is trying to adjust differences. Earnings were equal to $1.46 a share for the six months ended June 30, 1946, earnings for the latter three months being equal to only 61c. a share as against the dividend requirements of $1 a share for the quarter. There appears to be no immediate prospect of any great upturn in earnings unless the company is able to get more than 11½c. a pound for copper sold in the domestic market.

International Nickel Co. has settled wage differences and earnings may not be too severely affected by the wage increase alone on a fairly substantial level of production. However, the company was hit by exchange parity and earnings of 42c. a share for the June quarter may prove to have been higher than the September quarter profit. Nevertheless the company anticipates stepping up its production rate due to increased demand for nickel and the short-term outlook for the company may be better than that for Noranda.

Both companies have exceptionally strong working capital positions.

Cartier-Malartic

Before I left for overseas, I purchased some shares in Cartier-Malartic Gold Mines. Could you tell me if the company is still in existence, its assets if any, and any market that may exist on the company's shares?

Cartier-Malartic Gold Mines owns approximately 2,000 acres in Courville twp., Northwestern Quebec, and 1,118,000 shares of Kewagama Gold Mines. While the entire authorized capital of three million shares of Cartier-Malartic has been issued, the Crown Trust Co. held 672,000 shares in trust at last report. The company has not been very active in recent years, the management apparently waiting for new developments in areas where the company's interests lie. Shares are quoted on the Montreal Curb Market at around 8½ cents.

COMPANY REPORTS

NORTH-AMERICAN ELEVATORS net profit increased 33.5% to $19,309 and working capital jumped 46.2% to $222,406 in year ended Apr. 30.

Canadian wheat supplies were exported steadily throughout 1945-46 fall and winter period leaving meagre stocks available for movement after the opening of navigation last spring, President R. A. Campbell, states. This caused complete shutdown of the Sorel elevator the last week of May, to continue until the 1946 crop is moving in volume. A fair volume of grain is expected to be handled before close of the season.

PROFIT AND LOSS ACCOUNT

Years Ended Apr. 30:	1946	1945
Net earnings	$117,790	$115,346
Less: Depr. res.	60,253	64,786
Int. & U. S. exch.	25,355	26,094
Inc tax res.	12,873	10,000
Net profit & surp.	19,309	14,466
Times Interest Earned:		
Before deprec.	4.65	4.42
After deprec.	2.27	1.94
Earnings per Share and Dividend Record:		
1st pref.: Earned	$6.12	$4.58
Paid†	7.00	7.00
2nd pref.: Earned	d0.93	d2.54
Com.: Earned	d0.24	d0.29

No divds. paid on 2nd pref. or common
†Paid from 1st pref. shareholders' acct.

CONDENSED BALANCE SHEET

As at Apr. 30:	1946	1945
Cash	$10,345	$2,656
Investments†	249,592	135,199
Accts. rec.	3,133	32,982
Inventories	4,771	5,147
Total curr. assets	267,841	175,984
Prep. & def. chgs.	10,903	20,355
Fixed assets*	1,248,305	1,308,077
Total assets	1,527,049	1,504,416
Total curr. liab.	45,435	23,897
Funded debt:	352,800	352,800
1st pref. shldrs.:		
Bal. of approx.	10,630	9,535
Sinking fund	2,484	2,484
Capital stock	1,115,700	1,115,700
*After depr. of	948,225	888,052
Working capital	222,406	152,087

†Mkt. val. in 1946, $260,705; Dom. bds. and accr. int. in 1944.

NATIONAL STEEL CAR CORP. retained net profits increased 26.4% to $1,247,166 in year ended June 30, despite a jump of 137.6% in income and excess profits taxes.

Chairman H. N. Baird regards the outlook for future business, domestic, industrial and export, as encouraging, but at the present time development of new business, from all sources is being seriously affected by unrestful labor conditions retarding a satisfactory flow of essential materials to carry on. Until this situation is adjusted new business, in all channels, will be difficult; likewise production of existing contracts will be seriously delayed. Exen when present-day conditions have been clarified the necessary flow of materials will be difficult for sometime, he adds.

INCOME ACCOUNT

Years Ended June 30:	1946	1945
Net earnings	$3,647,944	$2,056,930
Less. Depr. & depl.	155,778	125,110
Income tax res.▲	2,245,000	945,000
Net profit	1,247,166	986,820
Less: Divds.	877,500	702,000
Surplus for year	369,666	284,820
▲Incl. refund. EPT	202,372	49,000
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.78	$1.41
Incl. ref. EPT	2.06	1.48
Paid	1.25	1.00

CONDENSED BALANCE SHEET

As at June 30:	1946	1945
Cash & Dom. bds.*	$6,952,145	$7,418,240
Call loan	1,001,233	......
Accts. rec.	842,616	907,674
Life ins., c. s. v.	29,801	21,932
Inventories	2,699,037	2,201,195
Total curr. assets	11,524,922	10,549,050
Prepd. exps.▲	624,968	662,394
Fixed assets	9,215,496	8,956,795
Total assets	21,365,386	20,168,239
Bank loan	......	4,139
Accts., tax., etc., pay.	3,818,462	3,134,498
Divd. pay.	263,250	175,500
Total curr. liab.	4,081,712	3,314,137
Deprec. & depl. res.	6,131,733	5,984,130
Capital stock	5,092,500	5,092,500
Surplus▲	6,059,441	5,777,472
*Market val. of bds.	7,090,117	6,673,825
▲Incl. refund. EPT.	582,000	609,000
Working capital	7,443,210	7,234,913

B.C. Iron Plant Expects 500% Pre-war Business

Canadian Sumner Works Ready for Contracts Totalling $1 Million Yearly — Helped Outfit Over 500 Ships During War

From Our Own Correspondent

VANCOUVER—Indicative of the extent to which British Columbia's industrialization developed during the war, was the disclosure here this week by Canadian Sumner Iron Works, a locally owned firm, that it was now equipped to handle five times its 1939 volume of business.

Norman Terry, secretary-treasurer, told The Financial Post that business volume would run to $1 million a year, with major contracts obtained and export business opened up. In 1939 the firm grossed only $200,000.

Sumner Iron first hit the jackpot during the war, when more than 500 steel ships built in Canada—including freighters, transport ferries, Bangkok minesweepers, corvettes, frigates—were equipped with steering engines and gear built and designed by the Vancouver company. Other Canadian firms, working on the Sumner patents, constructed some of the gear.

Then Sumner obtained exclusive Canadian manufacturing rights from Crown-Zellerbach Company of San Francisco, a major U. S. pulp company, for its revolutionary hydraulic barking machines, which by using water jets reduces mill wastage. At the same time, the Vancouver company also obtained exclusive Canadian rights to manufacture pulp mill pumps from the Bingham Company, a U. S. company.

Armed with these provisions, Sumner Iron this week announced it was making $400,000 worth of barker and pump equipment for British Columbia pulp producers; was negotiating with eastern pulp companies for additional orders.

Four hydraulic barkers are under manufacture for Powell River Company Ltd., B. C. Pulp and Paper Co. Ltd., Bloedel, Stewart and Welch Ltd., and Universal Box Co. Ltd., all west coast firms.

Earlier this year Sumner Iron "cracked" the eastern Canada market for the first time, sending three carloads of Bingham pumps to the Kalamazoo Vegetable Parchment Co., Espanola, Ont.

The barker and pump program now under way will keep Sumner busy until next March at least, on this one type of work. Contributing further will be export orders, with negotiations under way with prospective customers for the first time in South America, New Zealand, and Australia.

Last week Sumner closed its first deal with a New Zealand customer, who gave the Vancouver firm an order for sawmill machinery.

Also under regular production are two items which make Sumner Iron one of the best examples of industrial versatility in Canada—namely, believe it or not, furnace stokers and refrigerators.

The "Iron Fireman" stoker has been one of the company's heaviest lines for some years. Now Sumner has been named representative here for the Deep-Freeze refrigerator line, by a Chicago firm. First supplies are now reaching Vancouver, and before long, homes here will be equipped with the first full-size refrigeration units in their basements—the kind which butcher shops have used for years, to the envy of housewives.

Ask Alberta Curb New Realty Agents

From Our Own Correspondent

CALGARY — Alberta's newly-formed Real Estate Association has launched a campaign to protect the public against inexperienced agents, attracted into the field by inflated postwar demand for living accommodation.

The Association, at its organization meeting at Red Deer, asked that real estate agents' licenses be withheld from anyone who has not served at least a year as a licensed salesman.

The Association, headed by Kenneth I. Lyle of Calgary, defined its aims as follows:

To assist in preparing and studying legislation affecting real estate, to raise and unify the standard of real estate dealings; to promote acquaintanceship and goodwill among the real estate brokers of the province, to sponsor fair dealings in transactions; to acquaint the public with prevailing ethics of the profession; and to increase the confidence and security for investors in rural and urban areas, in their transactions with legitimate dealers.

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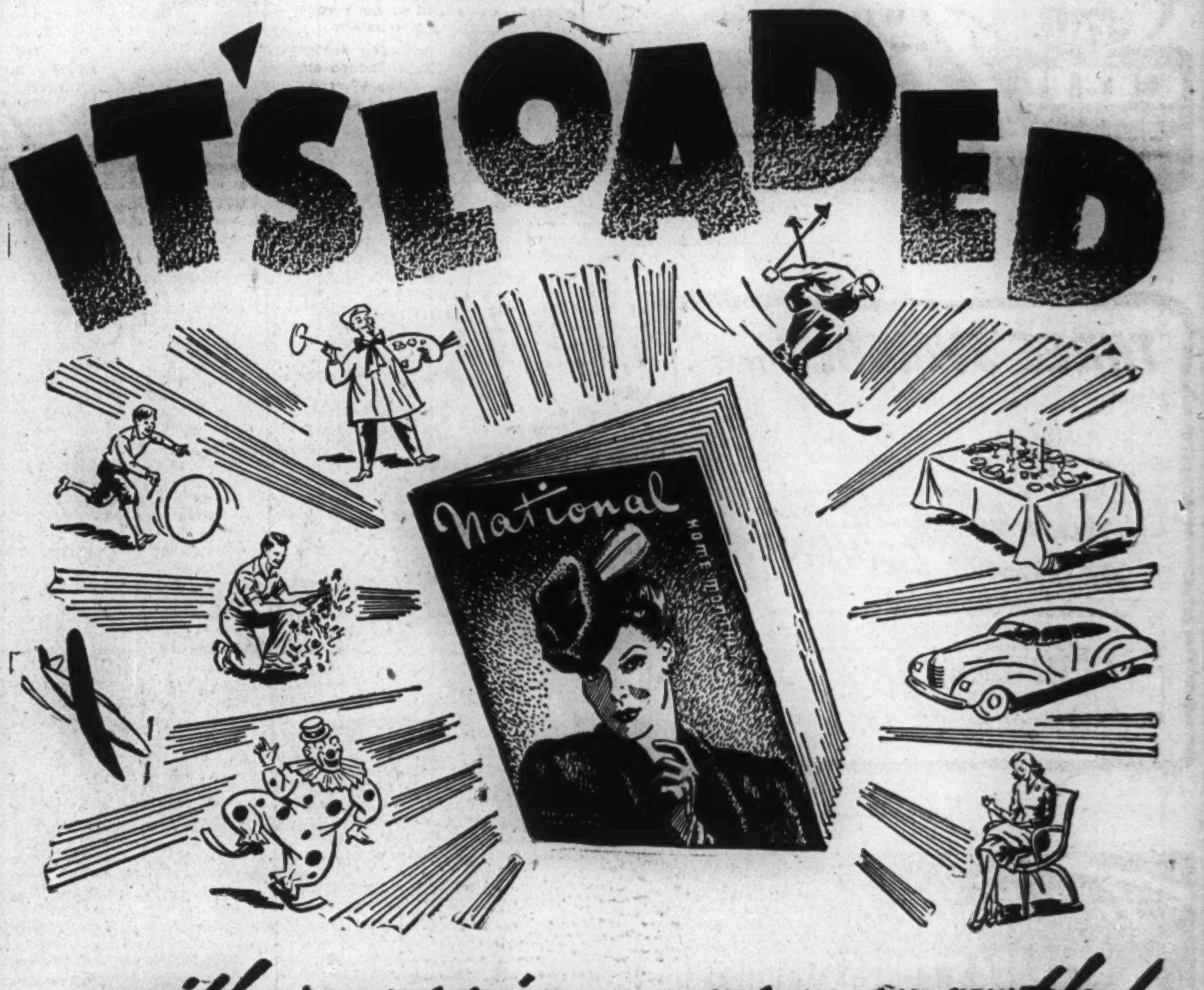

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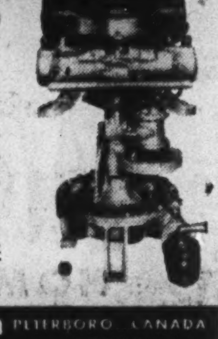

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Social Welfare Agencies Co-operate In Community Chest Drive for Funds

By DONALD G. MACLEAN

To victors and vanquished, in all countries, war brings changed social and economic conditions, a loosening of morale standards, a shattering of family and community life.

That Canada, despite her preferred position, has not escaped is evident from the recent records of crime, divorces and juvenile delinquency. In every community underprivileged boys and girls, unfortunate men and women who have met economic reverses, perhaps fallen foul of law, will become a definite liability to the country unless helped back to solid ground.

Addressing the Grand Jury at the opening of the Fall Assizes in Whitby, Ontario, recently, Mr. Justice G. F. McFarland of the Ontario Supreme Court said: "We can't close our eyes to the fact that in Ontario, in Canada, all over the world, society is infected with an increase in crime. It is the aftermath of the war. Men's morals have loosened, their minds are distracted.

"Through the war there has come to adolescence a generation of children which has not had the benefits of home life which contribute to the development of good citizens. The father has been in the Army and the mother in war work with the children running with little or no parental supervision. It is a problem we must solve if we are going to develop the citizens we desire."

Seek $6 Millions

To enable local social welfare agencies to give a helping hand to those who need it, 27 community welfare organizations across Canada, this month and next, are asking the public for $6 millions. Behind these 27 organizations are 680 member social agencies, whose function it is to play the good neighbor to those who need help. The national campaign is organized under the auspices of the Community Chest Division of the Canadian Welfare Council.

This combined campaign by various welfare bodies in various communities across the Dominion has developed out of many years' operations, during which making one united drive, at one time, was found preferable to a number of scattered efforts at various seasons with no relation to one another. It follows the same pattern as the combined operations with which we became so familiar during the war years.

The combination of effort is also symbolic of the spirit of co-operation and helpfulness which distinguishes the whole community welfare movement whereby citizens combine to help their less fortunate brothers.

Putting in words the whole purpose of community welfare work, the officials this year have adopted as a campaign slogan, "Everybody Benefits—Everybody Gives."

Where the Money Goes

All contributions go to help finance the work of the various agencies in providing protection and care for dependent or neglected children; character building, recreational and educational facilities for young people; aid for the sick and those who have suffered economic misfortune.

But community welfare services are directed, not only to aiding those who are down to get back on their feet again, but to help others who are losing heart from giving way under the buffeting of fate.

Contrary to belief in some quarters, community welfare services are not limited to the poor and underprivileged but are available to everybody regardless of financial status. Those who can afford it pay a reasonable fee; but others are given free service.

Thus by giving to help others each citizen helps to make Canada a better place to live in, preventing child neglect, juvenile delinquency and family breakdown and disrespect for law and order.

The objects of the Community Chest are:

1. It supplies funds for the operation of its member social welfare agencies. These funds are distributed according to an agreed budget procedure. It exercises throughout the year, a detailed check on finances, and all accounts of the Chest and the member agencies are audited regularly by a chartered accountant.

2. The second function is to promote the social health of the community by co-ordinating existing services, preventing waste of funds through duplication, ensuring greater efficiency through better planning and generally to develop better public understanding and support for both private and public (tax supported) social work.

Workers All Volunteers

The directors of the Chest as well as campaign canvassers and workers serve voluntarily without any financial compensation. The local Chest organization each year submits to the Dominion organization a budget for the amounts of money they will require for various objects. The Dominion organization then examines and passes on the individual budget and organizes the campaign to raise the total amount required. Local agencies are managed by volunteer board directors. Permanent staffs in the offices of the Chest and member agencies who have a year-round job, of course, are paid.

One important result of the joint campaign system is that costs have been reduced to about 3% for the actual campaign. If collection of pledges and year-round administration is included the average amount is 7%

Here is how the money collected in a Community Chest Drive across Canada is distributed:

	%
Child care and protection ...	33.7
Youth training, summer camps	16.7
Family Welfare (including care of aged)	26.1
Health Services	16.0
Central year-round Administrative costs	7.5
	100.0

Still Need Funds

One question which has sometimes been asked regarding Community Chest contributions during the past few months is whether the payment of family allowances by the Dominion Government reduces agency expenditure and makes less money necessary.

The answer to this is "no." There is no actual saving to the agencies giving substitute care to children away from their own homes. The family allowances is supposed to be used to provide extra services which such children would not otherwise receive.

Of course, family allowances reduce the probability of financial emergency among low income families and may reduce applications for temporary aid from social agencies and should tend to prevent neglect of children frequently caused by insufficient income.

Premier Mackenzie King in commending the Community Chest campaign explained the situation when he said:

"In ministering to local needs, the voluntary welfare agencies of Canada render an all-important social service. It is beyond the scope of governmental action.

The minister of National Health and Welfare Honorable Brooke Claxton further added:

"Action by Government supplements but cannot and should not replace the voluntary community welfare services."

Capital Split Proposed For Mod. Containers

A special general meeting of shareholders of Modern Containers to consider capital reorganization plan will be held Sept. 25. It is proposed to subdivide the 25,000 issued common shares into 50,000 class "A" shares and 50,000 common shares and to increase the capital by an additional 50,000 common shares.

Class "A" shares will be entitled to a cumulative preferential dividend of $1 a year and will be convertible into common stock on a share-for-share basis at the option of the holder at any time up to Oct. 1, 1956. In recent years the company has paid dividends at the rate of $1.20 per common share a year. Directors do not contemplate declaring any dividends on the new common shares at present.

After giving effect to proposed financing, applying taxes at 1946 rates and giving effect to reduction in standard profits, net profits for the six months ended June 30, 1946, were equivalent to $1.91 per class "A" share and after this provision, $1.41 per common share.

Plants at Toronto and Ottawa, are operating at capacity and gross and net profits for the six-month period were at a new high, it is stated.

CENTREMAQUE GOLD MINES reports holes 23 and 24 completed at 1,039 and 982 ft., respectively. Hole 25 encountered boulders and was lost at 110 ft. Nos. 23 and 25 were the second and third borings in an exploration cross-section being driven along the north-south centre line of the property. The holes cut a new mineralized basic lava zone 25 ft. wide, well mineralized with pyrrhotite and pyrite and scattered chalcopyrite.

RUGGED RED LAKE MINES says hole 105, located approx. 250 ft. east of No. 11 and directly under high-grade surface find, gave $9.80 across 5 ft. at 485 ft. Additional assays were obtained for several feet on both sides of the intersection.

VINCENT MINING CORP. has established camps near Palomar Station, Keith twp., Groundhog River area, Ont. Geologist Ivan Christopher is in charge of preliminary development which is just getting under way.

Fairchild Busy Up to Capacity

MONTREAL (Staff) — Fairchild Aircraft Ltd., which stepped out of the prefabricated house construction field into millworking last June, is now engaged up to the capacity of its woodworking equipment, President H. M. Passmore told The Financial Post.

"Our woodworking machinery is being fully occupied on three shifts for millwork for various housing programs," he said. Payrolls now approximate 600, against 1,000 earlier this year. The Post is informed.

Mr. Passmore said that the company's plant in Longueuil, Que., still has some unused floor space where additional millworking machinery could be installed. However, the critical machinery supply situation rules out any possibility of expanding production at this time. Even before the steel strike, deliveries on machine supplies were unsatisfactory; since the strike, the position has deteriorated considerably, Mr. Passmore said.

Fairchild has no material shortages preventing production from being held at full capacity, it is understood. Principal products now being produced include such millworking items as doors, cupboards, kitchen frames and sashes, etc., for the housing industry. Deliveries are being made as soon as production is completed and there is no inventory being built up, The Post is advised.

Possibility that the company might re-enter the prefabricated housing market at the present or near future is remote, Mr. Passmore indicated. The present situation on labor and materials, as well as foundation problems at the site, would make it practically impossible to keep a line going, he said.

Only other item now in production at Fairchild's plant is the company's "Husky" airplane, production of which is understood to be coming along as well as can be expected. Within the last month or so, this plane received the Government's certificate of airworthiness after only 70 hours of flying time, without change to the engine installation and without any modifications in the plane's surface, Mr. Passmore said.

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Brazilian Labor Quiet At Present

Labor conditions in Brazil generally and particularly within the huge Canadian controlled Brazilian Traction, Light, Heat & Power Co. are "quiet" at the moment, The Financial Post is informed.

The Government is reported trying hard to combat a rising inflation spiral in that country, highlighted recently by several noisy consumer demonstrations. In an effort to improve the food supply picture, the hard-pressed Government has prohibited export of certain essential food items and at the same time, removed all restrictions on import of others.

The indicated early end of the country's nine-year dictatorship is seen directly attributable to pressure of public opinion, aroused over condition of country's internal affairs.

The new Constitution proposal calls for a two-chamber congress; permits the President to veto legislation, but provides for overriding this veto by a two-thirds vote of both houses.

Recent easing of restrictions on removal of earnings from the country by foreign-controlled companies denotes a definite "sympathetic gesture" by the Government, it is stated.

MODERATION

promises a glorious future

★

Because we are a moderate people, Canada has come through the war with perhaps the least dislocation of any nation actively involved. That is a remarkable tribute both to the overall policies of our Government and to the fundamental wisdom of the Canadian people.

And it holds out a glorious promise for the future.

But to make that promise come true in the days ahead we shall have to continue to live up to our principles of moderation. We shall have to continue to think, act and live—moderately.

To give in to the natural desire for immediate enjoyment of everything and anything presently in short supply can result only in inflation and disaster.

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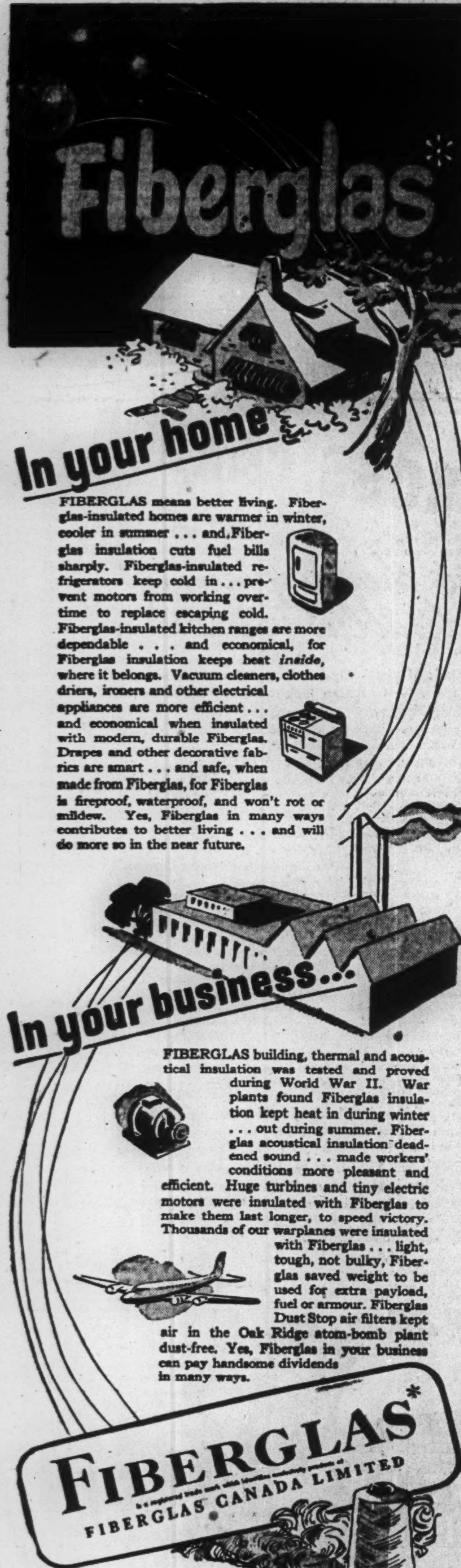

Fiberglas*

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Unlisted Mines

Approximate quotations, Aug. 30, 1946, subject to confirmation.

Abacus	..	.47
Abenakis	.06	.08
Abino	.27	.30
Abound	..	.15
Ace Yel	..	.08
Adan Que	.04	.07
Addington	.03	.06
Adele	..	.18
Adian	..	.20
Admiral Y	..	.20
Adnaron	.06	.09
Adv R L	.10	.13
Aiken	.15	.30
Alb Old	.10	..
Alb New	.29	..
Alcan Yel	.06	.08
Aldermac	.01	.02
Alex R L	.16	.18
Aljo	.03	.04
Allore	.48	.51
Altura	.02	.07
Alpha L	..	.05
Alwyn	..	.20
Amalartic	.20	.25
Am Gold	.17	.25
Am Kirk	.13	.15
Amb Min	..	.16
Amb Oils	..	.16
Amicmica	.20	.25
Amm G	.02	.04
Andrew	.75	.85
Amorada	.05	.09
Anglo P	.05	..
Ann'que	.07	.08
Anoki	.07	.09
Apex Oil	.03	.04
Arg Yell	.08	.10
Argosy	.05	..
Arken	..	.15
Armada	..	.40
Arncour	.12	..
Arnt (old)	.03½	.05
Arrowh'd	.06	.10
Asher	..	.10
Ashton	.02	.04
Auconda	..	.14
Audley	.02	.04
Audora	..	.06
August P	..	.25
Aumo P	..	.10
Aunite	.03	.05
Auriac	.07	..
Auriga	..	.15
Aurlando	.10	.13
Aurlode	..	.33
Aur Yell	.40	.45
Auterra	.04	.06
Auvill	..	.15
Bacola	..	.40
Balmoral	.90	1.00
Band-Ore	.45	.55
Banner	..	.15
Barbary	..	.35
Bar L old	.25	..
Bay R L	.11	.15
Beacon	.55	.58
Beaucamp	.06	.09
Beaureg'd	..	.13
Beauriv	.14	.17
Beauverny	..	.35
Belec	..	.10
Belfast	..	.40
Belgold	.05	.10
Belle Yell	.14	.25
Bellemac	..	.18
Bellezone	..	.10
Bell R	.03½	.05
Belm (u)	..	6.00
Benzac	..	.25
Berwick	.51	.54
B'que (o)	.05	.08
Big Four	.27	.31
B Game	1.00	1.25
B Master	.02	.04
Big Miss	.02	.04
Bilmac	.00½	.02
Birch B	..	.07
Biroco	..	.12
Blade Yell	..	.20
Blondor	.06	.08
Blue G R	.05	.07
Bocabois	..	.28
Boise	.35	.40
Bonsec'r	..	.16
Bonterra	..	.30
Bordeaux	.10	.15
Bordessa	.08	.10
Bordulac	..	.15
Boulder H	.10	.12
Bourbon	..	.20
Bourl Cen	.08	.10
Bowie	..	.15
Boyd K	.04	..
Bra Mal	.06	.08
Brae Bre	.07	.08
Bravo Yel	.04½	.05½
Brengold	.02½	.05
Bren D (u)		100.00
Brett Tr	..	.02
Bright R L	.11½	.13
Brock	.14	.17
Brown Oil	.03	.05
Brun P	..	.27
Bryh (st)	.40	.70
Bryh (u)		110.00
Bull R L	..	.25
Burgess	..	.55
Burley P	.02½	.04
Burton	..	.15
Burscott	..	.15
Burvan	.02	..
Burwash	1.50	..
Cabala	.03	.05
Cal F F o	.07	..
Cal S (u)		25.00
Cam S (u)		200.00
Camlaren	.10	.12
Can Rad	.15	.18
Can Kirk	.01	..
Canagau	.13	.16
Candego	.30	.40
Can Expl	..	.55
Cap Rou	..	.01
Cap Yell	.06	.08
Card Yell	..	.14
Carimac	.20	.23
Carricona	.05½	.07
Casakirk	..	.12
Casey Con	..	.02
Cass Yel	.20	.23
Cath L	..	.40
Char L L	.05	.08
Charm Y	.17	.20
Cherokee	..	.20
Chesgo	..	.20
Chimo	.50	.55
Chrsito Q	..	.15
Chuk R L	.45	.50
Cinc Porc	..	.24
Cipway	..	.20
Circle	.18	.20
Clarendon	..	.20
Clarnor	..	.15
Clarry	..	.15
Cl Sturg	.05	.08
Cl Porc	.40	.50
Clicker	.13	.15
Clif Cons	.02½	.04
Clinger	.04	.07
Cluny	..	.17
Cobagold	.03	.06
Cob Prod	.15	..
Cock R L	.08	.10
Colum	.09	.10
Comara	..	.45
Comb Lar	..	.06
Cons Chi	.24	.27
Cont D D	.50	.80
Cont Cop	.25	.27
Cont Kirk	.20	.23
Cour G	.12	.15
Courtmont	..	.30
Cov (un)	..	.900
Cov (stk)	..	.12
Craibbe	.29	.32
Crangold	..	.36
Creole S L	.07	.09
Cres Kirk	.02	.03
Croscourt	.08½	.10
Crow G	.09	.12
Croy R	.08	.10
Culver G	.28	.31
Cuniptau	.01	..
Cuyuni	1.10	1.20
Cyprus	..	.35
Dack C	.03	.05
Da-Ker-Ad	..	.06
Dalray	..	.25
Darkwater	..	.07
Darrell G	.02	.04
Dastaur	.06	.14
Deane C	.03	.06
Deb Yell	..	.20
Deepore	..	.25
Delandore	.10	.15
Delcore	.15	.20
Delhi Tem	.08	.12
Delo P T	1.00	..
Delwin	.03	..
Delw P	.02	.04
Demps'y C	.03½	.04½
Denni C	.04	..
Derlak	.06	.08
De San n	.07	.09
Desjardins	.04	..
Despina	.22	.25
Destor V	..	.12
Destorada	.10	.13
Destorbel	.09	.12
Dex R L	.50	.55
Diaterra	..	.18
Dolphin	.13	.16
Dom Expl	.04	.07
Dom Mal	.03	.04
Dom Nick	.09	.12
Dom Porc	.10	.13
Donmaque	.10	.13
Dona Pat	.02½	.03½
Dong'd u	..	3.00
Donrand	.03	.05
Donw Lar	.01	.02
Don-X	..	.35
Dorbaska	.04	.06
Dorion	.12	.15
Doris Yel	.32	.35
Dortera	..	.15
Double S	.25	.28
D'cliffe	..	.17
Drake Y	..	.15
Droumaque	..	.20
Dub Gold	..	.20
Ducore	..	.30
Dukel	..	.30
Dulama	.12	.15
Dul R L	..	.25
Dumar	..	.25
Dumico	.07	.09
Dun Rou	.09	.11
Duomal	..	.15
Duport	.12	.15
Durham	.09	.12
Dyke L	..	.35
E'court	..	.20
East Lun	.18	.22
E Rouyn	.05	..
Eastward	.28	.31
Echo In	.13	.18
Edena	.80	..
Ed'water	..	.18
Edwaska	.05	.08
El-B'nza	.05	.08
Electra	.12	.15
Eliz G	.02	..
Ellburn P	..	.15
Elmac	.37	.40
Elmos	.03	..
Elora	..	.15
Erin Kirk	.04	.06
Esther	..	.25
Eureka	2.75	2.85
Faulk L	.04	.05
Fernland	.15	..
Figuery	..	.25
Fiske	..	.01
Fl'tw'd Y	..	.20
Fleming	.02	.05
Flicka	.16	.20
Flobec	..	.04
Flynn B	..	.10
F'tana (o)	..	.12
Fort Yell	..	.10
Franco	.35	.40
Frebert	..	.26
Fred Yell	8.00	11.00
Fresnore	..	.10
Front R L	..	.05
Fulbro	.12	.16
Gachin H	.15	..
Galatea	.13	.16
G Copper	.06	.08
Garrymac	..	.07
Gate'ay P.	02	.04
Gaymont	..	.30
Geometals	..	.23
Geraldton	.03	.04
Gilbee	.01	.03
Gilbert	..	.30
Girard L	.03	.05
Glenlivet	..	.22
Glencona	.08	.10
Glenw'd	..	.26
Gold C P	..	.60
Gold Fron	.05	.07½
Gold Porc	..	.10
G Shaft	.25	.30
G Summit	.04	..
G Valley	..	.15
Goldknife	..	.16
Goldpack	..	.32
Gold P '45	..	.30
Goldwin	..	1.20
Goodrock	.03	.04
Gordon L	.08	.10
Gorham	..	.03
Gotham	..	.20
Gothic	..	.40
Governor	.07½	.09
Granacour	..	.19
G Chi u	80.00	100.00
G Chi stk	1.40	1.75
Graydel	..	.20
Gr B Oil	.01½	.03
Gr L Iron	..	.06
Gr Yell	..	.35
Gr'land (u)		100.00
Greenlee	.22	.24
Grompo	..	.27
Gubby	..	.40
Gunflint	.03	.05
Gwill L	.10	.12
Gypsy (u)	125	175
Habitant	.12	.14
Hal R L	.14	.17
Hallmark	..	.20
Harlight	..	.20
Harp Mal	.04	.06
Harricana	.06	..
Hay Gold	.57	.62
Hayes Ca	.04	.05
Hearn Y	..	.40
Herbdix	.13	.15
Hey R L	..	.10
Hiawatha	.14	.22
H'ridge	.14	.16
Hislop (o)	.04	.06
Horne F	.21	.23
Hotstone	.15	.21
Hoyle G	.18	.20
Hub Yell	.04	.06
Hucliff	..	.25
Hud B M	.15	..
Hugh P	.07	.09
Huhill	..	.30
Hum R L	..	.20
Hutch L	.02½	.03½
Independ	.11	.13
Indyke	.17	.20
Ing Yell	..	.15
Ingray	..	.15
Inland M	..	.15
Insco	.35	.40
Int Tung	..	.05
Inore	.20	.23
Irvin	.08	..
Iskut	.15	.30
James K	.02	.05
Jasper P	.14	.16
Jen Yell	.05	.07
Jeph	.12	.15
Jeroco	..	.20
Jerome	.40	.50
Jimjon	.20	.22
Joannes D	.06½	.08
Jodelo	..	.02
Jowsey	..	.20
Kamlac	.39	.42
Karat Yell	..	.12
K Crow	.03	.06
Kaymac	.48	.51
Kayorum	..	.12
Kega	..	.20
Kelrowe	.05	.08
Kel R L	.06	..
Kelwren	.20	.23
Ken Bey	.10	.15
Kencour	.04	.06
Kenda P	.27	.30
Kenikonda	..	.35
Kenridge	..	.20
Kenroy	.04	.06
Kenwest	..	.10
Keora	.01½	.02½
Kewaga	.16	.22
Keymor	..	.19
Kiena	..	.14
Kilbarry	.38	.41
Kimasco	..	.27
King K	..	.05
Kinojevis	.08	.11
Kirk East	.02	.04
Kirk Gate	..	.05
Kirk Hunt	.00½	..
Kir Vit	.03	.04
Kiska	.10	.17
Kitalba	.27	.30
Kiwago	..	.30
Korby	.05	.08
Laclothian	..	.17
Lac Teck	..	.01
Laddie	.22	.27
Lady Rou	..	.15
Laf L L	.02	.03½
L Caswell	.03	.06
L Expan	.09	.11
Lake Porc	.21	.25
Lake Gen	.03	.06
L'ridge	..	.15
Lake Rose	.02	..
L Row O	.06	.09
Lake Kirk	..	.08
Landsun	..	.16
Lapalar	..	.10
Lar Add	.06	.08
Lardego	.01	.02
Larder Is	.08½	.10
Lardon	.09½	.11
Lareva	.12	.15
Larg'd N	.04	.06
Larg'd O	.01	.02
Laroma	.06	.08
La Salle	.14	.16
Lasidon	..	.35
Lassie R L	.20	.25
Latomic	.08	.11
Laud R L	.25	.30
Lavalie	.12	.14
Leader Yel	..	.18
Lebon	..	.60
Leemac	..	.25
Legardo	.03	.05
Len R L	.18	.21
Leon Mal	..	.26
Lingkey	..	.25
Lingnora	.13	.15
Lochabie	.01	.05
L Pershing	..	.09
Loisan	.08	.10
L Lac Lag	.00½	.01½
Lorie	..	.25
Louvore	.04	.05
Louvre '45	.15	.20
Louvre (o)	..	.08
Low Can	.01	.03
Lowery P	.35	.45
Luzon	.08	.10
Lynalda	.05	.10
MacA R L	.03	.06
MacBaft	.06	.09
Mac Con	.02	.03
Macfort	.01	.04
Macjoe	.01½	..
Mada Yell	..	.15
Magdelena	..	.30
Magnet L	.12	..
Magwell	.10	.15
Mainbreak	.14	.16
Majormica	..	.05
Major Oil	.05	.07
Malbec	.03	.05
Mall R L	.17	.20
Mallick	.07	.10
Man B n	.01½	.04
Mandy	.22	..
Man Yell	..	.15
Manterre	.05	.07
Marbenor	.31	.33
Mar RL'40	.10	..
Marillac	.09	.11
Marq L L	.3½	.05
Mars R L	.22	.24
Martin B	.11	.13
Mar B (u)	8.00	..
Mary A	.19	.21
Mas Mal	..	.12
Mass Yel	..	.25
Mate Yell	.08	.11
Match C	.03	..
Mat Cons	.24	.26
M Spiers	.00½	..
McC R L	.15	.17
McD '37	.05	..
McFinley	.48	.52
McKay	12.50	..
McLar-P	.02	.05
McM R L	.13	.15
McMillan	.00½	.01½
McVit G n	.11	..
McVit K	..	.04
Meew' S u	..	7.00
Meew'd Y	..	.30
Mercury	.55	.60
Metalore	.06	.09
Mica Co.	.20	.25
Mica Co. $10 par	2.00	2.50
MicMac	..	.20
Middle B	.06	.08
Midd-P	..	.30
Midwest	.01	.03
Mildale	.04	.07
Miles R L	.20	.23
Mill G u	1.90	..
Mills R L	.02½	.03½
Minedel	.03	..
Mink G	.13	.16
Mintrock	..	.15
Miracle	..	.30
Mitnor	..	.10
Mitto P	.02½	.03½
Moff H n	.03½	.04½
Moh'k M	.08	..
Mohawk P	.03	.05
Moire Y	.02	.04
Molyjevis	.04	.06
Montclerg	.10	.13
Morris K n	..	.04
Moosew'd	.05	.07
Mooshla	..	.05
Murbell	.03½	.04½
Murmac	.16	.19
Murphy	.08	..
Murto	.24	.27
Mylake	..	.25
Myl'que o	.06	.12
My-Ritt	..	.30
Nareco	.22	.25
Narr L	.05	.08
Nat Mal	.27	.29
Naybob n	.42	.47
Naybob o	..	.05
Naylor	.25	..
New Aug	.03	.11
N Barb L	.05	.08
New Mal	.05½	.07
New Rib	.01	.03
Newbec	.02	.05
Newcor	.25	.40
Newport	.07	.10
Nickel	3.00	..
Night H P	.03	.05
Norbeau	.85	.95
Norcourt	.11	.13
Norf Per	.07	.10
Norm Mal	..	.20
Normar	.11½	.13
Normanco	..	.35
Norpick	..	.32
N A Moly	.04	..
Nor Bell	..	.10
N Break	.25	.29
Nor Mal	.03	.05
N Range N	..	.20
N Siscoe	.15	..
N Whit M	.07	.09
Nor Tin	..	.10
Nortyne	.04	.06
Norwin	..	.05
Norzone	.43	.46
Novell P	.06	.08
Nu'lake	.17	.30
Numaque	.07	..
Nyco	.25	.30
Obalski	.20	.22
Obalski 45	.42	.45
Obaska	.22	.25
Oklend	.08	.10
Olivet	.03	.04
Ont Pyr	.20	..
Ont Nick	.05	.06
Opagold	.15	.17
Opemiska	.24	.27
Orcour	.06	.08
Ordala	..	.05
Oriole	.01	.03
Orpit	.05	.07
Ortona	.08	.10
Orvalley	.05	.08
Ossian	.01	.03
Ouilette	..	.43
Pacalta o	.01½	.04
Pacific N	.11	.15
Pacific O	.07	.10
Pack Per	..	.35
Pamon	..	.20
Pan Mal	..	.20
Pan-Can	..	.10
Pap Yell	..	.20
Paquette	..	.02
Paquin	.20	.35
Para R L	..	.20
Parent L	..	.25
Parterre	.08	.10
Pascalis	.25	.27
Pasco M	.23	.26
Patnora	..	.15
Paulore	.02	.03
Pawn K	.01½	.03
Payne Yel	.20	.24
Payore C	.11	.14
Peg Tan	3.10	3.25
Pelangio	.15	.16
Pell L	..	.45
Pennaque	.07	.12
Pensive Y	..	.13
Peribec	..	.10
Pershon	.06	.08
Petitclerc	..	.12
Petmont	..	.20
Phelps	.03	.05
Phil Yell	.15	.25
Phoenix	..	.04
Pinnacle	.04½	.06
Pinta	..	.13
Pipe Nar	..	.20
Planet G	..	.04
Plexor	..	.20
Polar	..	.15
Polaris	.05	.08
Pontiac o	.30	.40
Poona	.02½	.03½
Porc G R	.03	.06
Porc G T	..	.25
Porc L	.04	.07
Porc Sou	..	.25
Porc Un	.03	.07
Porc Wat	.03½	.06
Porquin	.02½	.05
Port L L	.07	..
Port Cold	..	.12
Portland	..	.18
Potterd'l	.01	.03
Presdor	.04	.05
Primus	..	.20
Quejo	.06	.09
Quemar	.02	.06
Quesabe	.57	.60
Quest	.29	.32
Quintal	..	.15
Quytaugle	..	.20
Rahill	.05	.08
Rainville	.22	..
Rajah	.06	.08
Rambull	.02	.04
Rand Mal	.12	.14
Randona	.05	.07
Ranger	..	.30
Ranney	.14	..
R M P S	..	480.00
Raylartic	..	.07
Ray Tible	.06½	.08
Ray d'Or	..	.08
Rebair	.27	.29
Rec Rou	..	.18
Redaurum	.09	.12
Red Area	..	.20
Red Bank	.03	.06
R L G S	.08	..
Redpointe	..	.25
Redruth	.05	.08
Redwolf	.16	.20
Redwood	.08	.10
Regal K	.02	..
Regina Y	.04	.06
Renabie	1.50	2.00
Renfort	.08	.10
Resenor	..	.32
Rexterra	..	.25
Rhyolite	.04½	.05½
Ribago	.05	.08
Ricenor	.10	.13
Rich Gr	.12	.15
Rico Rou	.21	.23
Ritchie	.01½	..
Ritoria	.06	.08
Ritz Lard	..	.06
Riverdale	.30	.35
Robb M	..	.02
Rocdor M	.17	.20
Rocket	.10	.15
Rodney	.24	.26
Roeanor	..	.03
Ronal	..	.15
Ronnoco	..	.15
Rose G	.15	..
Rossmore	.01	.04
Rou D'Or	.10	..
R Reward	..	.03
Roybar	.26	.31
R G S u	2.40	..
Rozak	.08	.11
Rual Por	.07	.10
Rug'd R L	.20	.25
Rupununi	.31	.34
Rusk Porc	.07	.10
Russ R L	.22	.25
Russ R L units	13.00	..
Russ Kid	..	.19
Sach Riv	4.25	..
Sagawana	..	.20
Salmita	.26	.29
Sangold	.14	.18
Sanita	..	.25
San Pedro	..	.22
Sanshaw	.08	.10
San Maria	.25	.29
Sava Yell	..	.15
Scott Chi	.07	.09
Scout P	..	.25
Seaforth	..	.35
Senore	..	.06
Sentinel	.06	.08
Sepha	.08	.10
Sev Mal	..	.16
Shaw o	..	.10
Sheldon	.50	.53
Shenan N	.03	.06
Shenan O	..	.02
S M & R	2.50	3.00
S M & S	1.10	1.40
Silco	..	.40
Silver A	.28	.31
Silver B	.16	.19
Silver M	.20	.24
Simon L	.19	.22
Skookum	..	.02
Skynner	.03½	.05
Slate B	..	.25
Slave L	..	.04
Sleman L	.75	.85
Smelt G	.02	.04
Snowden	.13	.15
Snow L	..	.17
Snowshoe	.05	..
Springpole	..	.26
S A G A	1.00	1.25
S Dome L	.30	.60
S Keora	.02	.04
S Malar	.01	..
Sovereign	.14	.17
Spina P	..	.10
St. Anth	.02	.05
St. Jude	..	.30
Starlight	.07	.09
Steeber	.02	.04
Stewart	.04	..
Straw L B	..	.03
Sudbury	.00½	.04
Sull Bour	..	.25
Sun Bear	.07	.09
Sunset Y	.28	.30
Tanaur	..	.10
Tasmaque	..	.20
Templor	..	.35
Terrebon'	.04	.06
Territ Exp		200.00
Thib	..	.05
Thomaque	.14	.17
Thornhill	.09	.11
Tible Gold	..	.30
Tiff Yell	.05	.07
Tobico	.02½	.03½
Tonaw'da	.00½	.02
Torbec	..	.15
Tovarich	.03	.04
Trans Can	..	.25
Transterr	.06	.10
Trimac	.33	.35
Trojan	.21	.24
Tromac	..	.40
Tungold	..	.25
Tyneside	..	.30
Typhoon	..	.35
Tyranite	.10	..
Uchi	..	.04
Unigo	..	.40
Univ Pete	..	.08
Utah L	..	.26
Val d'Bell	.05½	.07
Valdina	..	.30
Val d'Or	.55	.70
Val Mal	.02	.04
Valrita	.25	.30
Vanacour	..	.12
Van Dyke	..	.10
Vauze Du	..	.18
Verity Por	..	.20
Verlac	..	.20
Vermor	..	.14
Vic-Ore	..	.12
Vincent	.84	.87
Vine Per	.04	.06
Vinray	.15	.18
Violamac	.18	.25
Virginia	..	.21
Virgo L	..	.25
Virita	.01	.03
Vive Y	.10	.13
Wadasa	..	.25
Wakeko	..	.07
Walcoro	.08	.11
Walker P	.04	.06
Walterra	..	.12
Wampum	.07	.10
Wasu Por	.17	.21
W'ding R	.05	.07
Wells L L	.10	..
Wembly	.04	.07
Wenga	..	.12
Wendmar	..	.30
Wesley	.03½	.04½
West Pet	..	.12
West R L	.07	.09
West B Y	..	.40
Wes Oil	..	.06
W S Mal	.03	.04
West Cad	..	.02
White E	.00½	.02½
White G	..	.25
White W	.02	..
Wildor	.03	.05
Winabi	.12	.14
Wilport	..	.08
Wilson	.03	.05
Wilwood	.06	.07
Win Lard	.27	.30
Wingait	.10	.12
Winrock	..	.20
Wisik	.05	..
Woco	.02	.05
Wolfpack	..	.32
Wright R	.10	.20
Yalta	..	.20
Yama G	.06	.10
Yell G	3.00	3.50
Young D	.22	.25
Young S	.07	.09
Zakor	..	.30

New U. S. Plant Adjoins Toronto

Boyle - Midway Products, an underlying Canadian unit of American Home Products, New York, announces construction of a new, modern factory in Etobicoke Township a few miles west of Toronto city limits.

The plant's 180-ft. by 260-ft., and central mezzanine floor, will afford approximately 50,000 sq. ft. of floor space, and cost over $250,000. Chief products will be waxes, polishes, high-class lubricating oils and a full line of insecticides. Other lines will be added later.

New equipment for recently developed processes will be installed. There will be a complete small emergency hospital, a modern cafeteria and an informal conference room for employees. The plant's two 100-h.p. oil-fired processing boilers will reduce the smoke menace. Architects are Mathers & Haldenby, builders Bradford-Hoschal Ltd.

Atlas Steels Ltd. Dividend Doubled

Directors of Atlas Steels have approved a plan to subdivide the presently outstanding 166,885 common shares on the basis of five new no par value shares for each old share held.

The announcement of a 50c. a share dividend payable Nov. 1, 1946, represents a quarterly boost of 25c. from the previous 1946 quarterly rate. If maintained this would mean an annual rate of $2 a share on the old stock or, at present prices, a yield of around 3.25%. It would work out to 40c. a share on the new stock after giving effect to the split.

Date for shareholders meeting to approve plan is tentatively set for Oct. 7.

Industry Trend Brighter More Jobs, Fewer Jobless

Despite the heaviest summer of strikes in recent years, Canada's manpower picture continued to show improvement during August, Department of Labor figures disclosed this week. Unplaced applicants numbered only 144,000 on Aug. 29 (160,000 in July) and unfilled vacancies increased from 106,000 to 117,000 in the same period.

The increase in vacancies was particularly significant, marking the end of a brief downward trend in June and July. The change highlighted Canada's industrial anomaly —strikes forcing men out of work on one hand and industrial expansion creating new jobs on the other. In August the trend to expansion more than offset the effect of strikes.

Credit for the improvement goes chiefly to the logging and mining industries and to agriculture. In all three there was a big seasonal upswing in labor requirements. The work they provided during August accounted for a large part of the drop of 16,000 in the number of listed job seekers. This decrease was achieved despite the fact that an additional 15,000 service discharges added to the country's labor force during the month.

Serious farm labor shortages, feared earlier this year did not develop. This has been accounted for by the fact that large numbers of industrial workers, idle through strikes, turned to work on the farms.

Strike effects have also been offset to some extent by the boom in the tourist business. Female service workers have been particularly in demand. The textile industry could absorb many more than are available and there is still a big demand for clerical workers, the department reports; but pay offered and working conditions are unattractive.

The department's regional survey of labor supply and demand as of the end of August reveals:

Maritimes: 21,000 applicants, 7,000 vacancies.

Quebec: 36,000 applicants, 35,000 vacancies.

Ontario: 47,000 applicants, 41,000 vacancies.

Prairies: 19,000 applicants, 23,000 vacancies.

British Columbia: 21,000 applicants, 11,000 vacancies.

British Brides Remain Britons

British women will no longer lose their citizenship when they marry men from other countries, and foreign women who marry British men must apply for citizenship, the same as any other alien.

This represents an about-face in British citizenship laws, some in effect since 1870. For years, British women's organizations have advocated such changes without much headway. But the epidemic of war marriages made the problem's solution a practical necessity. Faced with the hard fact that thousands of British women were, to all intents and purposes, left stateless by wartime marriages to soldiers of other lands, the British Government acted this summer.

Hitherto, British women who married foreigners were considered to have taken on the citizenship of their husbands automatically, just as foreign women became British citizens the moment they married a British subject. In a number of cases, however, the laws of foreign countries (e.g. the United States) did not grant citizenship to alien women. As a result, British women who married citizens of these countries lost their original nationalities without gaining new ones.

In 1933, British women who married Americans were allowed to retain British citizenship until they became naturalized U. S. subjects. The new law grants the same protection to all British women who marry men of other nationalities.

Chief stumbling block to this new legislation was removed earlier this year when Canada, Australia, New Zealand and South Africa agreed to make a woman's citizenship entirely independent of that of her husband. Difficulty in getting the Dominions to agree to this, had previously delayed the change.

FIFTY YEARS OF SINCE 1895 PUBLIC SERVICE

What is an Executor?

An executor is one who settles an estate. And a trustee is one to whom property is committed in trust.

To perform both duties efficiently—as executor and trustee—requires much experience, specialized knowledge and skill. It has been our privilege to act in both capacities for many clients during the fifty years this company has been established. This record assures you of skilled, business-like, impartial administration of any property you may entrust to our care.

We invite you to consult us by mail or call on us personally. VT-46-8

THE VICTORIA TRUST & SAVINGS
COMPANY
OFFICES AT LINDSAY AND CANNINGTON, ONTARIO

DUNLOP
Faces
A GREAT RESPONSIBILITY

With other tire plants closed down for the past two months, Dunlop is faced with the great responsibility of endeavouring to satisfy the tremendous demand for tires due to the non-production of other tire companies.

Dunlop accepts this responsibility. Confident in the consistent loyalty and productive skill of its employees with whom the friendliest relations have always existed . . . possessed of the understanding and co-operation of Dunlop Dealers everywhere . . . Dunlop is bending every effort . . . concentrating every resource . . . on the production of Dunlop Tires to meet the needs of essential transportation, regular Dunlop customers and all others whom it is possible to serve through its established dealers.

TIRE SITUATION CRITICAL

No one can over-emphasize the critical shortage of tires today. And there are few signs of improvement. Even the manufacturers of new cars and trucks are obliged to ship cars and trucks without tires. It is utterly impossible for one tire plant to attempt to reasonably serve essential transportation, equip these new vehicles and to take care of consumer sales. Nevertheless, Dunlop Dealers are exercising the keenest judgment and sense of fair play in establishing equitable distribution of their very limited supplies.

Yes, in addition to being the only Tire Plant in Canada presently operating . . . in addition to the pressing demand . . . Dunlop is handicapped in its efforts by shortages of essential materials, including tire fabrics, steel and other metals for tire beads, moulds, valves, etc., and other materials and equipment essential to tire building which, on account of unsettled labour conditions elsewhere, have been in short supply or not available at all. Because of these shortages, Dunlop, in spite of having been as far ahead in its raw material inventories as conditions permitted, has been unable to maintain normal production. Users of tires such as the new 6.50-15 size will thus appreciate the difficulty of getting into quantity production of this particular tire.

IN THE PUBLIC INTEREST

In the face of this grave, unprecedented situation, Dunlop . . . in the public interest . . . is going beyond commercial considerations and is doing its level best to serve tire users throughout Canada.

Dunlop assures you that it will continue to serve Canadians to the utmost of its ability, sparing no effort or expense. There is still great need for patience, of course, for conditions show no sign of easing. But when times return to normal . . . when present difficulties are ironed out . . . Dunlop, with its expanding production facilities, with the assurance of the steadfast loyalty and mutual goodwill of its employees and the co-operation of its dealers . . . will again be in a position to make available to tire users everywhere unrestricted supplies of the famous, long-serving, smooth-riding Dunlop *Armorized* Tires.

Jas. L. Simpson
President
Dunlop Tire and Rubber Goods Company, Limited

DUNLOP - CANADA
Makers of Dunlop Armorized Tires . . . "The World's Finest"

PEACE TREATIES

The best peace treaty anyone can negotiate, whether he be a householder or a business executive, is the peace of mind provided by commonsensible insurance protection.

We buy such protection for our clients in policies *we see* are not scraps of paper when a loss comes.

THE BEST AT NO EXTRA COST.

"Representing the one who pays the premium"

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LIMITED

Insurance Brokers, Fire and Accident Prevention Service Since 1904.

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Toronto
ELgin 6401

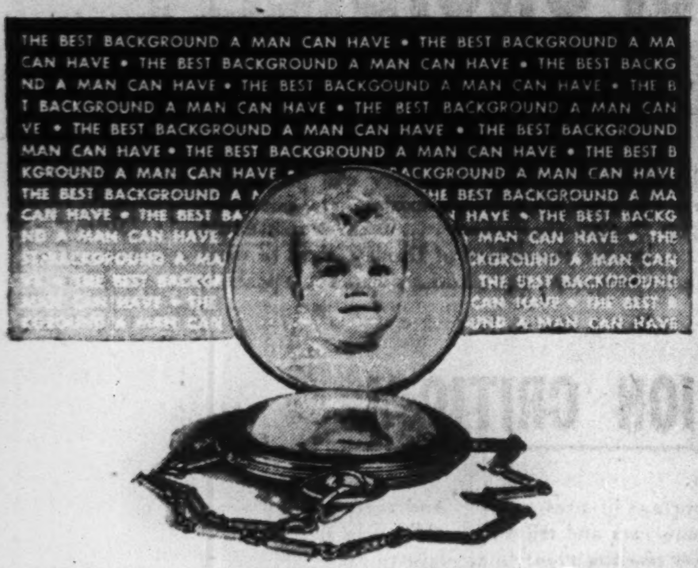
606 Cathcart St.
Montreal
PLateau 8595

The Pioneer's only protection against natural hazards was his courage, his strength and his rifle.

Today a modern development has come to his aid. That development is insurance. To thousands of policyholders, The Portage Mutual is a solid "Shield of Protection" against the ever present threat of Fire or Windstorm. This company has for sixty-two years given maximum security at minimum rates.

EST. 1884

The PORTAGE LA PRAIRIE
MUTUAL INSURANCE COMPANY
HEAD OFFICE · PORTAGE LA PRAIRIE
WINNIPEG · REGINA · EDMONTON
FIRE and WINDSTORM


THE BEST BACKGROUND A MAN CAN HAVE

A very "little" responsibility

Not many inches tall, and not many pounds big — but *your* responsibility until he reaches adult life.

And of course you're facing up to that responsibility, providing him with everything he needs — *so long as things go right!*

But are you ready for the unexpected eventualities, the tricks that fate sometimes plays? The accident that stops your earning power. The wrecked car and the mounting doctor and hospital bills . . . the damage suit decided against you.

You are *not* facing your responsibilities unless you have provided *adequate insurance* against interruptions in your normal financial life. Adequate insurance does not mean costly insurance. Your Norwich Union agent will help you decide the coverage you need.

The best background a man can have ... *Adequate Insurance!*

NORWICH UNION
Fire Insurance Society, Limited
Founded 1797
Head Office for Canada:
12 Wellington St. East, Toronto
E. M. WHITLEY, General Manager for Canada

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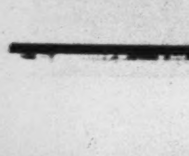

Insurance Superintendents Plan To Clarify Group Life Contract

Legislation to clarify the legal position of group life insurance policyholders is suggested in a report submitted this week to the annual conference of the Association of Provincial Insurance Superintendents at Halifax.

The proposal is to amend certain sections of the Uniform Life Insurance Act, in force in most provinces, rather than to add a complete new section, as at first suggested.

One of the most important features of the amendments is the intention to give the group insurance policyholder the same statutory rights as an ordinary policyholder in so far as is possible.

For example, the proposed legislation would give the individual policyholder rights to change beneficiaries, enforce payment of the policy proceeds and various other rights accorded an ordinary life insurance policyholder. Some of these are in effect already in actual practice, but the amendments would give them legal status.

At present, many points in group life insurance policies are controlled only by regulations of the companies writing the policy, and it has been felt that the position of the individual policyholder should be more clearly defined, giving him definite rights, which heretofore have existed largely on the company's discretion, or in the contract between the insurer and the employer or party holding the master policy.

In other directions, the amendments protect the interests of other policyholders. For example, it is considered the existing section in the Uniform Act dealing with misstatement of age is not applicable in group insurance. Accordingly it is suggested that:

1. If a policyholder's age has been misstated, an equitable adjustment of premium should be made;

2. If a group life insurance contract provides that the age of any person insured under it affects the amount of insurance or other benefits payable, the benefits should be adjusted to the true age.

Another important suggestion is that two new definitions regarding group insurance be added as follows:

1. Group life insurance means life insurance where a number of lives are insured severally under a single contract between an insurer and an employer or other person contracting with the insurer.

The word "severally" is intended to exclude joint life insurance which is governed by existing legislation.

2. Creditors' group life insurance means group life insurance effected by a creditor on the lives of his debtors or some of them, where the amount of insurance on the life of any one debtor does not exceed at any time the amount of that debtor's indebtedness to the creditor. (This definition is deliberately restricted to creditors' insurance where the amount of insurance does not exceed the debt. If the group policy is so written that the insurance does exceed the debt it is treated as ordinary group insurance.)

Main feature of the definition of "group life insurance" is the breadth of its wording. While "an employer" is mentioned as one possible party to a contract with the insurance company, it does not exclude others. It contains no restriction on the type of group to be insured, apart from that involved in the second definition. Nor does it restrict the number.

These are points on which there has been much discussion in the past. Companies have divided their policies into different classes such as:

The employer-employee class with less than 50 in the group.

The same class with over 50 in the group.

An association like the Civil Service Association.

Group annuities.

A group where there is a debtor-creditor relationship.

The proposed definition would exclude the last two mentioned groups. It does not appear, however, to exclude groups such as the home-owners on a certain street, if they club together and buy a group policy. Nor would it exclude the members of a church or club.

In many cases the amendments simply state that unsuitable sections of the existing Act don't apply to the group life policies.

The proposed amendments are not suggested for immediate adoption, but rather for consideration and discussion before drafting legislation. The main object is to keep legislation to a minimum, with a maximum of simplicity and clarity.

Savings Bonds On Sale Oct. 15

War Savings Certificates Come Off Market Sept. 30, Editors Told

Canada savings bonds will go on sale Oct. 15, be available until Nov. 2 and after that "at the discretion of the minister of finance," The Financial Post learns.

Around end of September, war savings certificates bearing 3% over 7 years free of income tax will be taken off the market.

Interest rate on the new bonds has not been fixed exactly, but probably they will pay 2¾% for 10 years, by annual coupon, and liable to income tax. Denominations will be $50, $100, $200, $500 and $1,000; and the bonds will be registered.

Not Transferable

What maximum limit is to be put on individual holdings of the issue was not revealed.

"The bonds will not be transferable or assignable," an official said. "Banks may consider them evidence of good faith for borrowing purposes, just as they now consider war savings certificates. The bonds cannot go up or down in price, and they will be redeemable without notice at a bank, which will cash them, with interest computed on a monthly basis, on presentation of the same identification required for cashing a cheque."

Asked why the new bond follows the coupon style of the victory bond instead of the principle of the tax-free savings certificates, the official said that 82% of 6,000 purchasers of bonds and certificates whose annual income did not exceed $3,000 preferred the bond type of issue. "The survey was made by a reputable independent organization," he said. "Each person in the representative survey was interviewed personally."

Deep Drill Test For Winchester

Work at Winchester Larder Mines has reached the stage where a deep drilling program is slated to get under way soon, The Financial Post is informed. Present program of surface exploration has just about been completed on property holdings in McGarry and McVittie twps., Kirkland Lake area, Ont.

Winchester recently completed a new financing deal whereby $7,500 is to be placed in the company treasury by Dec. 1 and 1,385,994 shares optioned at prices ranging from 15 cents to $1 a share.

Changes May Be Sought In Auto Insurance Law

Suggest Clearer Definition of Circumstances Under Which Neglect to Renew Driver's License Does Not Void Insurance

Provincial superintendents of insurance are considering legislation to clarify the legal position of an insured automobile owner, whose car is involved in accident when driven by a person without a driver's license.

The statutory conditions in the standard automobile insurance policy state that among other things, the insured must not use or drive his automobile: 1. While not qualified and authorized by law to drive; or in the case the law does not prescribe any qualification or authority, while under the age of 16.

2. He shall not "permit, suffer, allow or connive at the use of the automobile . . . by any person not qualified and authorized by law to drive.

In some quarters it is felt that under some circumstances the wording of these clauses might be unfair to a policyholder.

For example, it has been felt that where a person who is admitted to be a capable driver neglects to renew his license and meets with an accident, it would be unfair for an insurance company to refuse to pay the claim on that ground. Yet strictly speaking it is held that no matter how well qualified, if his license had lapsed he would not be authorized to drive at the time of the accident.

Or a case might arise in which an owner lends his car to someone, believing him to be authorized to drive, when he was not. In such cases the insurance companies as a rule, it is understood, pay the claim and then try to collect from the driver at fault.

Some have suggested that the statutory conditions make both qualification and authorization necessary conditions before the policy will be considered valid. Difficulty has been found, however, in defining what is meant by "qualified to drive."

It has been generally felt, in view of the heavy accident toll, that nothing should be done to weaken the law requiring all persons operating cars to be capable. But it is also felt desirable to remove any hardship on owners whose only fault was forgetting to renew their license. A report submitted to the superintendents' association meeting at Halifax this week suggests the following changes:

"The insured shall not use or drive the automobile . . . unless he is or was at any time during the year immediately prior to the date of the policy or where the policy has been renewed during the year immediately prior to the date of the last renewal, authorized by law to operate or drive an automobile of the type described in the policy, or

"While his license to operate or drive an automobile remains suspended or cancelled or

"While under the age prescribed by law for operating or driving an automobile.

"The insured shall not permit, suffer, allow or connive at the use of the automobile

"1. By any person who is not for the time being authorized by law to operate or drive an automobile or

"2. By any person while under the age prescribed by law for operating or driving an automobile.

By eliminating the word "qualified" the suggested amendment assumes the holding of a license to be evidence of qualification; while the time limit stated in the clause gives reasonable time for anybody to renew his license. The addition of the words "of the type described in the policy" evidently is intended to prevent a person who is qualified to drive say a motorcycle only, from being covered by the policy while driving a car. The wording "while under the age prescribed by law for operating or driving an automobile" overcomes the difficulty of the present wording "under 16 years of age." Some provinces during the war licensed boys of 15, when it was considered necessary.

Insurance
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FIRE, AUTOMOBILE,
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FIDELITY
Insurance
Company of Canada

Consult your agent or broker as you would your doctor or lawyer

TORONTO

If you would like to keep your business insurance costs as low as possible, read the questions below. If your answer to any two or more is "No", send for a Johnson & Higgins representative and talk it over! It may prove one of the most profitable moves you could make.

$

JOHNSON & HIGGINS
(Canada) Limited
INSURANCE BROKERS
MONTREAL · TORONTO · WINNIPEG · VANCOUVER
Correspondents
NEW YORK · PHILADELPHIA · BUFFALO · DETROIT
PITTSBURGH · CHICAGO · SEATTLE · SAN FRANCISCO
LOS ANGELES · HAVANA

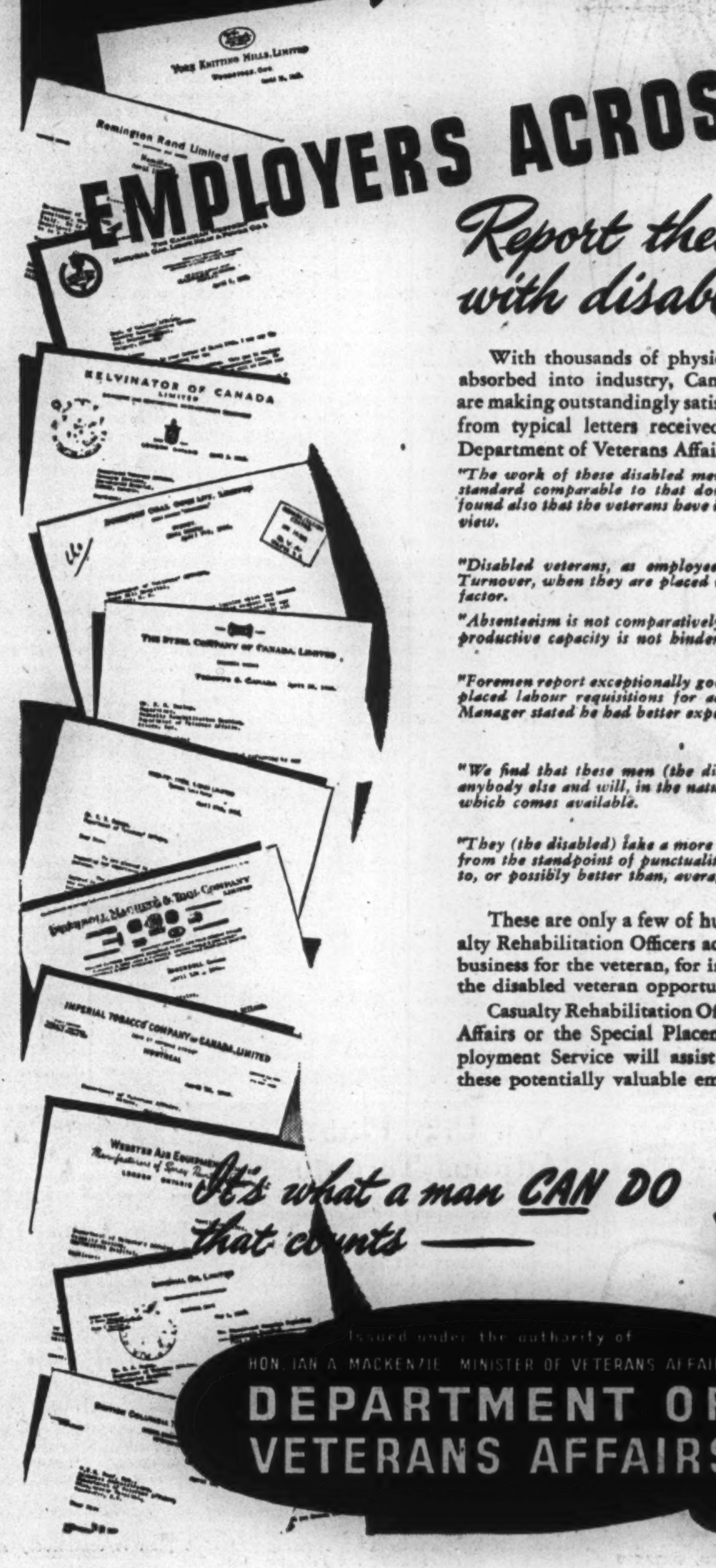
Does your insurance buyer (1) represent *you?* (2) have trained technicians in *every class* of insurance? (3) have responsibility for *properly coordinating* your various types of insurance? (4) have the authority and opportunity to buy from *whatever companies* offer the most favorable terms? (5) have facilities to minimize your insurance costs, by *tested loss control* methods? (6) provide skilled knowledge and experience in *inspection* and *claim collection* services? (7) have *daily contact* with the principal insurance markets of the world? (8) have the accumulated experience of *over a century in business?*

BUYERS OF INSURANCE FOR COMMERCE AND INDUSTRY SINCE 1845

THE PHYSICALLY DISABLED VETERAN — THIRD IN A SERIES ON THEIR EMPLOYMENT

EMPLOYERS ACROSS CANADA

Report their experiences with disabled veterans—


Remington Rand Limited
Kelvinator of Canada
The Steel Company of Canada Limited
Imperial Tobacco Company of Canada Limited

With thousands of physically handicapped veterans already absorbed into industry, Canadian employers are finding they are making outstandingly satisfactory employees. Here are extracts from typical letters received by the Casualty Section of the Department of Veterans Affairs:—

"The work of these disabled men has been well performed, and is of a standard comparable to that done by our present employees. We have found also that the veterans have in general an extremely sane and sensible view.
Dominion Coal Company Limited
Sydney, N.S."

"Disabled veterans, as employees, are prompt and regular attendants. Turnover, when they are placed in the proper occupation, is a negligible factor.
The Great Western Garment Company."

"Absenteeism is not comparatively high with our disabled employees, and productive capacity is not hindered if proper placement is observed.
Imperial Oil Limited."

"Foremen report exceptionally good experience with the disabled and have placed labour requisitions for additional disabled men. One Personnel Manager stated he had better experience with them than with able bodied.
Pacific Mills Limited,
Vancouver, B.C."

"We find that these men (the disabled) perform their duties as well as anybody else and will, in the natural course, be in line for any promotion which comes available.
D. Ackland & Son Limited
Winnipeg, Canada."

"They (the disabled) take a more than average interest in their work, and from the standpoint of punctuality and regular attendance they are equal to, or possibly better than, average.
Taylor Electric Manufacturing Co.,
London, Ont."

These are only a few of hundreds of letters on file with Casualty Rehabilitation Officers across Canada. They prove it is good business for the veteran, for industry and for the country to give the disabled veteran opportunity to show what he can do.

Casualty Rehabilitation Officers of the Department of Veterans Affairs or the Special Placement Section of the National Employment Service will assist you in the proper placement of these potentially valuable employees.

It's what a man CAN DO that counts —

Three books dealing with the modern technique of employing the disabled are being made available to employers. They will be found of real assistance in making effective placements.

Issued under the authority of
HON. IAN A. MACKENZIE, MINISTER OF VETERANS AFFAIRS
DEPARTMENT OF VETERANS AFFAIRS

Increased Demand for Bank Credit Expected Due to Large Wheat Crop

Canadian bank executives expect a substantial rise in business borrowings this fall.

For three consecutive months, May, June, July, increases have been shown despite the lack of any unusual factor such as a victory loan campaign and the trend is still upward, due mainly to the growing demand of trade and industry for bank credit.

The crop movement just now starting, however, is believed likely to give the demand for bank credit its biggest boost of the year. In some quarters it is estimated total current loans, this autumn, will reach the highest figure in some years.

Canada's wheat crop is estimated officially at over 440 million bushels against 306 millions last year and the highest since the 557 millions record in 1942. The western wheat crop alone is estimated at 420 million bushels and substantial increases over last year are forecast in all other kinds of grain. Private estimates in some cases exceed the official, some private authorities placing the prairie wheat crop alone at close to 450 million bushels.

Under normal conditions, movement of this quantity of grain means a substantial increase in bank loans. Each year when farmers start hauling grain to the railhead the grain and elevator companies taking delivery finance their needs by bank borrowing, whether they pay the farmer in full or make an advance on his grain. Farmers who want to retain ownership of their wheat in hope of a price advance can borrow against it directly from the bank.

In any case, large amounts of cash are put in circulation, and bank loans expand. Normally they reach their peak about the end of October. During several war years, after the large crops of 1939 and 1940 (both over 500 million bushels) and the stoppage of exports to occupied Europe, elevators were filled to capacity and much grain was kept on the farms until elevator space became available. Grain loans increased with the grain in storage and after the record crop of 1942 totalled $294 millions out of a total of $1,106 millions.

During the past year, due to the heavy export demand, storage stocks of wheat have fallen to around 70 million bushels. Grain loans on Oct. 31, 1945, totalled $109.5 millions out of a total of $1,139 millions and when the crop year opened on Aug. 1 were practically cleaned up, it is believed.

In ordinary years merchants and manufacturers, once the crop is assured, lay in heavy stocks of merchandise and raw materials. A big crop usually means heavy consumer buying. This year, due to shortages caused by strikes and other factors, inventories generally have remained lower than they otherwise would be. In spite of this bank loans have been showing an upward trend even before the crop movement began, reflecting more active operations in some quarters.

Another factor likely to bring increased demand for loans, especially following the larger crop and the indicated expension in farm income, is the more liberal lending policy allowed farmers under the Farm Improvement Loans Act. Under this legislation banks can lend to farmers for longer terms than formerly to enable them to improve their farm lands and buildings. By a special provision, the banks were authorized to lend on the security of the farm property, a procedure previously prohibited.

In addition, a bank can now lend a farmer money to install a farm electrical system or buy farm implements on the security of the equipment purchased. Similar loans to fishermen and other primary conditions are likewise authorized.

These wider lending powers were granted the banks by the Bank Act revision of 1944. But so far, due to the shortages of materials for civilian use, little money has been lent. Once the goods become available, however, a big demand for credit for their purchase is expected.

Law for Laymen

Herewith The Financial Post gives readers an analysis of legal decisions and rulings that may affect you or your business. It is emphasized that the brief legal notes below are designed to serve as hints and warnings only. Consultation with your solicitor is advisable when any of these problems arise in your affairs.

(Copyright)

ALL DEBTS ARE NOT "outlawed" after six years—this is only the usual period for ordinary simple debts which have lacked acknowledgment. Many others need not be abandoned after this period. Lengthier periods are provided (depending on the province) for debts based on certain documents usually those made under seal.

• • •

ONCE A "BEARER" CHEQUE always a "bearer" cheque—at least that is the prudent view to take. Equal precautions should be taken against loss, even though a "bearer" cheque is endorsed on the back as payable only "to order." Such an endorsement is doubtful protection for a lost cheque; careful handling is safer.

• • •

"UNDUE INFLUENCE" on a person making a will is difficult to define, even for the courts. But on a broad comparison, the term implies an irresistible pressure, not a mere request or reminder on the part of someone that consideration be given in the will.

• • •

IF IN DIFFICULTY with your obligations, you certainly cannot afford garnishee costs. It is better to arrange with your creditor for installment payments. That way your money reduces the debt itself, instead of paying costs; and you safeguard your standing with your employer.

• • •

SAVING RECEIPTS is generally a prudent practice. This is particularly true in the case of medical and dental expenses. To the extent these exceed 4% of your taxable income, you may claim them as deductions from income; but receipts must be produced to substantiate any such claim.

• • •

AN INVITATION to become a company director may be flattering, if the responsibilities are recognized. Among other things, most regions impose liability on directors that employees of the company receive their wages, and penalize them if required forms are not filed with the Government.

• • •

IDENTIFYING A PERSON cashing a cheque is one thing; even guaranteeing a known signature is innocent. But guaranteeing the value of a cheque is another. It merely identifying the person, or the signature, write in a suitable phrase above your own signature.

• • •

DON'T "BURY YOUR HEAD IN THE SAND," on learning a representative of yours has exceeded his authority. Remedy the situation at once. Delay, with the hope that the situation will right itself, may cause your confirmation to be presumed.

Staff Changes

The Bank of Montreal announces the following staff changes:

A. E. KNOPF, manager, St. Jean Baptiste Market, Montreal, to be manager, Papineau Ave. and St. Catherine St., Montreal.

D. A. McCLURE, manager, Papineau Ave. and St. Catherine St., Montreal, to be manager, St. Henri branch, Montreal.

McK. YOUNG, assistant manager Ontario St. and St. Lawrence Blvd., Montreal, to be manager, St. Jean Baptiste Market, Montreal.

• • •

The Dominion Bank announces the following staff changes:

G. M. CHESNEY, formerly manager, Queen St. & Agusta Ave., Toronto, to be manager, Bloor & Bathurst Sts., Toronto.

F. A. BURT, forerly manager, Timmins, Ont., to be manager, Orillia, Ont.

A. RITCHIE, formerly manager, Leamington, Ont., to be manager, Timmins, Ont.

G. HEATH ROSS, to be manager, Queen St. & Agusta Ave., Toronto.

R. HUMPHREY, to be manager, Leamington, Ont.

C. R. HANNA, to be manager, Napanee, Ont.

F. R. COCHRANE, formerly manager, Bloor & Bathurst Sts., Toronto, and C. S. PIM, formerly manager, Orillia, Ont., retire.

• • •

The Canadian Bank of Commerce announces the following staff changes:

W. M. BLACKSTOCK, manager, Port of Spain, Trinidad, to be manager, Halifax.

G. A. RICHARDS, assistant manager, Port of Spain, Trinidad, to be manager, Port of Spain, Trinidad.

G. B. SHERRIFF, recently Canadian Army, formerly accountant, Melfort, Sask., to be assistant accountant, Regina, Sask.

W. H. HAMILTON, recently RCAF, formerly manager, Lillooet, B.C., to be manager, Victoria Road, Vancouver.

• • •

The Royal Bank of Canada announces the following staff changes:

C. A. CYR, accountant, Rosetown, Sask., to be manager, Harris, Sask.

R. L. FINGARSON, accountant, Swift Current, Sask., to be manager, Alsack, Sask.

S. C. HALL, manager, Alsack, Sask., to be manager, Esterhazy, Sask.

J. L. ROBERGE, manager, Montmagny, Que., to be manager, Limoilou, Que.

R. A. ROBERTS, manager, Esterhazy, Sask., to be manager, Moosomin, Sask.

S. P. STARR, accountant, Main & Selkirk, Winnipeg, to be manager, Baldur, Man.

A. P. HARVEY, to be assistant manager, West End, London, England.

D. A. MACDONALD, to be accountant, Beaver Hall, Montreal.

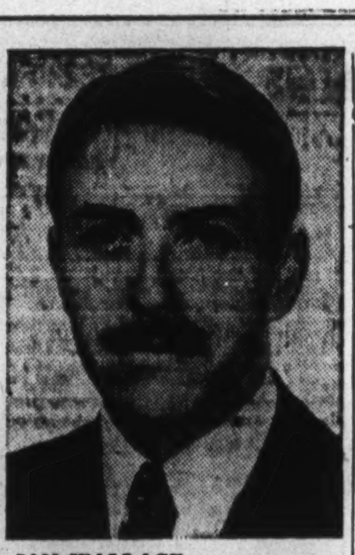
H. W. D. THOMAS, to be assistant manager, Portage Ave., Winnipeg.

• • •

The Bank of Nova Scotia announces the following staff changes:

J. H. BROWN, formerly manager, Bloor and Bay Sts., Toronto, to be manager, Victoria, B.C.

E. G. CRUIKSHANK, formerly of Winnipeg main office, to be manager, West End branch, Edmonton, recently opened.



IAN WALLACE

has been appointed manager of the London, England, office of McKim Advertising Ltd.

BANK OF CANADA

	Sept. 11 1946 $	Sept. 4 1946 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Notes in circ.	1,138,888,749	1,132,855,635
Rest fund	10,050,367	10,050,367
Deposits: Dom.	46,385,485	71,568,045
Chart. banks	502,162,529	523,498,677
Other	81,818,167	73,820,806
Total deposits	630,366,182	668,887,528
Liabs. pay. in sterling, U.S.A. and for'n gold currencies	3,743,111	3,743,111
All other liabs.	25,814,941	23,964,919
Total liabs.	1,813,863,350	1,844,491,560
Assets		
Sterling & for'n exchange	3,743,111	3,743,111
Subsid. coin	453,067	453,479
Investments:		
Dom. govt. sh.	1,250,025,280	1,258,261,717
Oth. Dom. gov.	513,138,339	528,449,006
Other secs.	10,000,000	10,000,000
Total invest.	1,773,163,619	1,796,710,723
Premises	2,556,975	2,553,075
All other assets	33,946,578	41,031,172
Total assets	1,813,863,350	1,844,491,560

The Wawanesa
Mutual Insurance Company

Admitted Assets... $8,833,185.28
Surplus 3,039,566.10
Dom. Govt. Deposit 2,292,892.17

Write for Financial Statement

Head Office WAWANESA Man.
Eastern Office TORONTO Ont.

Branches
VANCOUVER, SASKATOON
WINNIPEG, MONTREAL

Regular, Frequent
CANADIAN FREIGHT SERVICES
to and from
VENEZUELA
COLOMBIA - CURACAO

Sailings from Montreal, Saint John and Halifax, also to other West Indies, Caribbean, and Central American ports as inducement offers. General cargo both ways.

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Montreal Branch Office, Sun Life Bldg., Room 1616

SHAW SCHOOLS

Explorers welcome!

You don't have to travel by sailing ship to explore to-day's trade prospects in the South-West Pacific. Economic and trade information about AUSTRALIA, NEW ZEALAND, FIJI, PAPUA and NEW GUINEA and introductions to importers and exporters can be obtained by asking your bank to write to the

BANK OF NEW SOUTH WALES
British & Foreign Department, Sydney, Australia

Morden, Helwig & Ferrie
LIMITED
INSURANCE ADJUSTERS
Automobile, Casualty, Fire and Allied Lines; Inland Marine
HAMILTON, London, Chatham, Windsor, Owen Sound, Sarnia, St. Catharines, Kitchener, Welland, Simcoe

Canada's Most Versatile
Tanners

FINE sheep and goat leathers.. fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.

DONNELL and MUDGE Limited
NEW TORONTO
DISTRIBUTOR - FRED'K WHITLEY & CO. MONTREAL

IMPERIAL BANK
Offers these Services-

LOANS
Business, Personal, and Farm Improvement Loans are obtainable at all branches. Your friendly Imperial Bank Branch Manager will be glad to advise you on these matters.

FOREIGN BUSINESS
Imperial Bank's Commercial Intelligence Department provides confidential reports on business in foreign countries and provides contacts for exporters and importers.

TRAVELLERS CHEQUES.
Letters of Credit and Travellers' Cheques obtainable at any Imperial Bank Branch provide safety and security for travel funds at all times.

MONEY ORDERS
Imperial Bank Money Orders offer a quick, convenient and safe way to transact business by mail. Obtainable at all branches at current rates.

COLLECTIONS
Bills of Exchange, both domestic and foreign, can be lodged with the bank, the proceeds being credited to the client's account.

OTHER SERVICES
Savings Accounts, Current Accounts, Safekeeping, Banking by Mail, Safety Deposit Boxes, Foreign Exchange, Money Transfers, Victory Bonds, Etc.

IMPERIAL BANK
OF CANADA
"THE BANK FOR YOU"

324-46

Two partners direct the Limited
6700

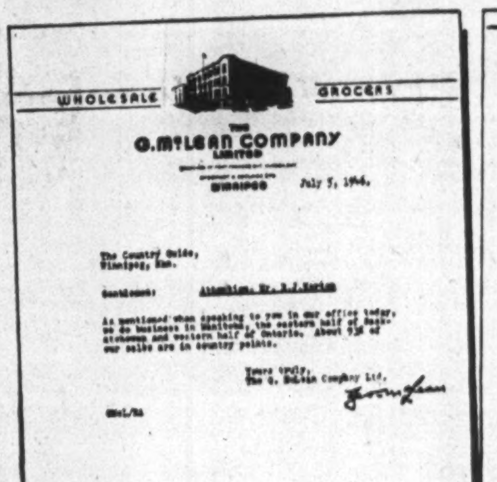
Let's do it *Together!*

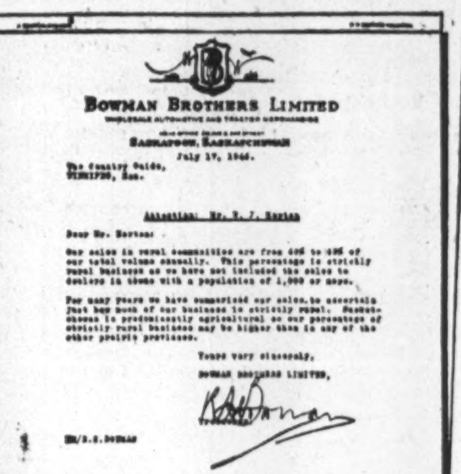
THE CO-OPERATION between The Bank of Nova Scotia and many of the business firms it is privileged to serve is like the teamwork between engineer and conductor.

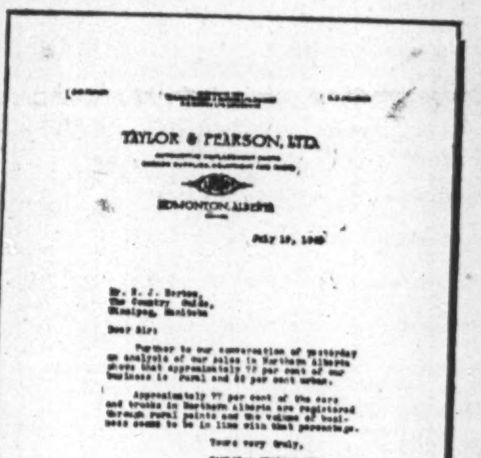
The client controls the run, calls the stops and starts, takes the fares and records the progress. The Bank of Nova Scotia provides financial motive power, avoids delays, watches the road ahead and observes the fiscal block signals. In any business, success depends a good deal on timing. Timing is largely a matter of good teamwork—and it helps a lot to have a bank in which you can have complete confidence. The manager of the nearest Bank of Nova Scotia branch would like to talk it over with you. *Let's do it together!*

THE BANK OF NOVA SCOTIA

Now We Can Tell the Jobbers' Story


WHOLESALE GROCERS
THE G. McLEAN COMPANY LIMITED
WINNIPEG July 5, 1946.
The Country Guide,
Winnipeg, Man.


BOWMAN BROTHERS LIMITED
SASKATOON, SASKATCHEWAN
July 17, 1946.
The Country Guide,
WINNIPEG, Man.
Yours very sincerely,
BOWMAN BROTHERS LIMITED,
WHOLESALE ONLY FROM NINE WELL LOCATED STOCKS


TAYLOR & PEARSON, LTD.
EDMONTON, ALBERTA
Dear Sir:
Yours very truly,
TAYLOR & PEARSON, LTD.

Sales to RURAL DEALERS Average 71.3%
Of Their Total Volume in the Prairie Provinces

The Consumers' Story

tells of Buying Habits, Products, Usage and Brand Preferences in Grocery Lines, Drug and Toilet Goods Products, as reported in recent farm consumer surveys, conducted for the Agricultural Press Association by "Canadian Facts" of Toronto.

Our offices have copies.

Jobbers, Wholesalers, Distributors of Grocery, Hardware, Drug and Toilet, and Automotive lines, all tell the same story ... Sales to Rural Dealers are the biggest volume factor in their business.

The Questions We Asked

52 of the leading Houses in Manitoba, Saskatchewan and Alberta were interviewed. Each was asked—"What percentage of your total sales volume is to rural dealers?"—"May we quote you?"—"Will you give us a letter to this effect?"

Typical Answers Received

GROCERY LINES
Saskatoon—"I would say from figures in our possession, rural sales will account for about 78%."

HARDWARE LINES
Winnipeg—"Our volume of average sales in staple goods is 76% to rural dealers."

AUTOMOTIVE LINES
Regina—"With reference to the percentage of our total sales volume made to country dealers, we believe an approximate estimate would be about 65% of the total volume."

DRUG AND TOILET GOODS
Calgary—"I wish to confirm the fact that 77% of our total volume of sales is on merchandise sold to and through our rural dealers."

The complete story of this Rural Dealer Survey is being prepared in booklet form. Watch for later announcement of publication.

The Dealers' Story

as reported in The Guide's "Study of Farm Buying Habits — No. 3", tells what farm trade means to the large number of representative rural dealers interviewed, as well as what quantities, qualities and brands farmers are buying.

Copies available on request.

Investigation from every angle—Consumer, Dealer, Distributor—emphasizes the dominance of the Rural Prairie Market and its importance to Manufacturers whose Goods are distributed and sold in Western Canada.

Investigation from every angle—circulation among top-ranking farmers, reader leadership, reader buying power—emphasizes the dominance of The Country Guide and its importance to advertisers as the most efficient and economical medium through which to reach the rich rural market of Western Canada.

THE Country GUIDE
WINNIPEG - MANITOBA
Canada's Largest Rural Monthly

THE WEEK'S QUOTATIONS

Montreal and Toronto

Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING SEPTEMBER 13

Range 1946 High	Low	Div R'te $	Sept13 Y'ld %		Sales	Last Sept. 6	Week end. Sept. 13 H	L	Cl'se
22¾	14	.	...	Abitibi n.	37586	17½	17½	15	16⅞
21½	15	.	...	Do. $1.50 pf n	29518	17½	17	15	16½
40½	34¾	.	...	Do. $2.50 pf n	420	37	37½	34¾	37
24	20	1.00	4.5	Acadia Atlan A	845	22	22	20	20½
107	103	5.00	4.7	Do. 5% pref.	60	105½	105	103	104¾
12	9	.	...	Acme Glove, n	350	10½	10	9	9
41½	28	1.80	4.7	Agnew Surp.	100	37	37	35½	36
26	16	.	...	Algoma Steel	1235	20	19	16	18
103	99½	5.00	5.0	Do. pref.	18	99½	99¾	99½	99¾
27¾	26	1.00	3.7	Alum of Can p	1032	27	27	26½	27
230	129½	8.00	4.6	Aluminum	2311	173	170	158	169
20	15	.	...	Amal. Electric	75	17½	15	15	15
12	6¾	.	...	Argus	7056	8¾	8¾	6¾	7¾
105	97	4.50	4.6	Do. 4½% pf.	130	98½	99	97	98
2.85	1.00	.	...	Do. Warr.	158	1.75	1.80	1.50	1.80
35	23	.80+■.30‡	3.0	Asbestos	2360	27	25½	23	24½
18	12½	.60	3.6	Ashdown Hdwe	720	16½	16½	16	16
78	55	■1.25	2	Atlas Steels	495	64	63	60	63
12½	11½	■.15	...	Auto Fabrics	195	12	12	11½	11¾
6½	5½	.	...	Do. (B)	900	6	5¾	5½	5½
22½	16½	.70	3.5	Bk. Can. Nat.	870	20½	20½	20	20
27½	21½	.80	3.4	Bk. Montreal	3630	23¾	23¾	22	23½
40	28½	1.20	3.2	Bk. N. Scotia	765	37	37	33¾	35
38	33	1.00	2.7	Bk. Toronto	825	37½	36	35	35
24¾	19	1.00	4.6	Bathurst Pr. A	2275	22	21	19½	19½
8	5	.	...	Do. (B)	930	5½	5½	5	5
51½	39	2.00	4.8	Beatty Bros. A	170	42	42	40	40
46	30	2.00	5.6	Do. (B)	180	42	42	35½	35½
28½	19¾	1.00	...	Beaver Lumber	25	27	26	26	26
175	140	■7.00	..	Belding Cort.	205	161	162	160	160
176	151	7.00	4.0	Do. pref.	135	176	175	175	175
20½	18½	.	...	Belgium Gl. p.	100	20	20	19	20
216	181	8.00	4	Bell Telephone	1644	200	201	195	200
23½	21	1.00	4.8	Bertram & Son	245	21	21½	21	21½
14½	12½	.40	3.2	Biltmore Hat n	50	12⅞	12⅞	12⅞	12⅞
25½	21½	1.00	4.4	Do. pref. A.	210	22⅞	22⅞	21½	21½
61	55½	2.50	...	Blue Ribbon, pf	220	61	60	58	58
16½	10	.	...	Brand. Hender.	100	12½	13	13	13
16⅞	12½	.50	3.9	Brant. Cord.	125	13	13	12½	12½
30⅞	20½	■1.00	..	Brazilian Tr.	16598	21½	21½	20½	20½
16½	12½	.50+.20	4.5	Brew & Distil	2836	15½	16	13½	15⅞
20½	12½	.	...	Bright, T. G.	25	20	20	20	20
38½	25	1.00	3.7	Brit. Amer. Oil	4360	26⅞	27	25	25½
29½	22	1.00	4.4	B. Am Bk Nts	300	23	23	22	22½
5½	2½	.	...	B.C. Forest	29255	3½	3½	2½	3½
17½	14	■.37½	..	B. C. Packers	2010	15	15	14	14⅞
11¾	7½	■.12½	..	Do. (B)	1485	8¾	8¾	8½	8¾
78	50	.	...	B.C. Pulp & Pa	525	58	58	50	50
35	27	1.60	5.4	B.C. Power A.	1110	29½	30	29	30
5	2¾	.	...	Do. (B)	2932	3½	3½	2¾	3
240	95	.	...	B.C. Turf & C	800	95	100	96	100
8¾	4½	.	...	Brown Co.	24188	5½	5	4½	4¾
104½	71	.	...	Do. pref.	1899	77½	77	71	73
29¾	19½	■.70	...	Bruck S. Mills	15960	25	25	23	24
35	23½	1.00	3.6	Building Prod.	2370	28	28½	26½	28
15	12	.60	4.8	Burlington St'l	200	12½	12½	12	12
27	22	.	...	Burns & Co. A	5	25	25	25	25
17	11½	.	...	Do. (B)	725	13¾	13½	12¾	12¾
11½	8½	.40	4.3	Butterfly Hos.	675	9½	9½	8½	9
33	28	1.50	4.6	Caldwell L 1 p	40	33	33	33	33
18½	16½	.80	4.6	Do. 2nd pref.	135	17½	17	17	17
77	60	.	...	Calgary Power	14	77	77	77	77
110	105½	6.00	5.7	Do. pref.	50	105½	105½	105½	105½
9¾	6½	.10	1.3	Canada Bread	80	8	7½	7	7½
82½	68	2.50	...	Do. pref. B.	5	80	68	68	68
25½	14¾		...	Canada Cement	4915	21	21	18½	19½
153	130	6.50	4.4	Do. pref.	533	148½	149½	148	149
29¾	21	.80	3.8	C. & D. Sugar	830	21½	22	21	21½
30	24¾	1.50	5.8	Can. Forg. A.	120	26	26	25	25
64	52½	2.00	3.3	Can. Malting	665	61	61	58	58
14½	9½	.60	5.7	Can. Nor. Pr.	300	10½	10½	9¾	10
113	105½	7.00	6.4	Do. pref.	40	110½	110½	110½	110½
44½	36	1.50	3.7	Can. Packers A	735	40½	40½	40	40½
22	17½	.50	2.8	Do. (B)	435	17½	18	17½	17¾
205	178	8.00	4.0	Can. Perman.	6	202	202	201	201
23	15½	1.00	5.9	Can. Steam's	960	17	17	15½	16½
53	47½	2.50	5.0	Do. pref.	286	50½	50½	49	49½
19½	13½	.60	3.9	Can. Vinegars	350	15½	14½	13½	14
99¾	82½	4.00	4.1	Can W Cable A	20	96½	95	95	95
29¾	23	1.00	3.8	Do. (B)	50	26½	26	26	26
25½	18¾	.80	3.5	Can. Bk. Com.	2885	22½	22½	20¾	21
29½	20	1.50	5.6	Can. Breweries	61463	26½	26½	23½	24¾
53¾	47	1.50	3.0	Can. Bronze	200	50	50	49	49
32½	20	■.86¼	..	Can. Canners	870	28	28	24½	25
32½	22	1+.20‡	3.6	Do. 1st pfd.	445	27½	28	24	28
32	22	.60+.40‡	2.1	Do. 2nd pf	1040	29½	27	24	25
20½	12½	.80	5.7	Can. Car & F'y	4105	14	14½	12½	13¾
23¾	19¾	1.00	4.9	Do. pref. A.	1475	20½	20	19¾	19¾
78	58	■1.50	..	Can. Celanese	3257	67½	66	58	63
44½	40	1.75	4.2	Do. pref. new	1070	41	41	40	40½
20	16	.75	4.4	Can. Convert A	50	17	16½	16	16½
31¾	27½	1.20	3.8	Can. Cottons p	210	31¾	31¾	31¾	31¾
30½	23	.	...	Can. Dredge	235	26	25	23	25
53	32	3+.50‡	8.7	Can. For. Inv.	105	34½	34	33	33
22¾	12	.50	3.0	Can. Food Prd.	3495	16¾	16½	15	15½
24	18½	1.00	4.8	Do. (A)	625	21	20¾	18½	20
285	258	8.00	3.0	Can. Gen. Elec.	5	270	270	270	270
18	15	.60	3.6	Can. G. Inv.	210	16½	15¾	15	15
27	15½	■.25	...	Can Ind Alc A	21140	18½	18	15½	16¾
26¾	13½	■.25	...	Do. (B)	1405	18	16¾	14½	16¾
25	19	■.15	...	Can. Indust.	1230	20	20½	19	20
195½	175	7.00	3.7	Do. pref.	15	192	191½	190	191½
70	60	2.00	...	Can Ingersoll R	5	65	60	60	60
9	4½	.	...	Can. Int. I. Tr.	25	4½	4½	4½	4½
46	22½	■1.00	..	Can. Locomo.	4654	26½	26½	22½	25
5½	2½	.04	1.1	Can. Marconi	2560	2¾	2¾	2¾	2¾
18	13½	.60	3.5	Can. Oil	1775	17	17	16	16½
24¾	14¾	■1.25	..	Can. Pacific	14415	16½	16½	14¾	15¾
4	1¾	.	...	C. Pr. & Pa In	550	2¾	2½	1¾	2½
31	29½	1.50	5.0	Can. Silk	110	30½	30	29½	29½
39	26½	1.00	3.3	Can. Tire	45	30½	30½	30½	30½
104	102	5.00	4.8	Can. Utilities	15	104	104	104	104
43¾	12	.	...	Can. Vickers	1375	34	33	26	33
174	97	.	...	Do. pref.	125	150	150	133	150
25¾	20¾	■1.00	..	C. Wallpaper A	50	25½	25¾	25½	25½
3.80	2.75	.	...	C. W. Lumber	35170	2.87½	2¾	2½	2¾
62	48	2.00	3.8	C Westinghouse	1082	54	53	51	52
10.00	5.50	▲■.75	..	Capital Estates	785	9.55	9.50	9.15	9.25
23	16	■.30	...	Catelli Food	340	22¾	21½	21	21
16½	15	.75	...	Do. pref.	40	15	15	15	15
16½	7	.25+.16‡	2.6	C Gal Wines	225	9½	7	7	7
1.90	.43	.	...	Chem Research	4700	.66	.75	.65	.73
.90	.40	.	...	Claude Neon	4400	.50	.55	.40	.45
75	55	.	...	Do. pref.	100	60	56	55	55
3.80	2.47	.12+■.03	3.4	Coast Brew.	4700	3.35	3.35	2.95	3.00
19	13	■.50	...	Cockshutt Plow	1855	14	14	13	14
6½	4¾	.20	4.0	Comm Alcohol	3065	5	5	4¾	5
8½	6¾	.40	5.7	Do. pref.	100	7	6¾	6¾	6¾
8¾	6¾	■.50	...	Conduits Nat.	100	7	6¾	6¾	6¾
22	16½	.80	3.7	Cons. Bakeries	755	20½	21	19¾	19¾
23½	15½	■.50	...	Cons. Paper	36211	18¾	18½	16½	17½
103	78	.	...	Cons. Smelters	14664	86½	92	79¾	80¾
10	9½	.	...	Cons. Textile	396	10	10	9¾	10
188½	156½	8.00	4.6	Consumers Gas	329	175	175	166	168
50	41	2.00	4.3	Consum. Glass	1070	47	47	41	41
22½	8		...	Corr. P Box	250	20	16	15½	15½
32	27	1.20+.15‡	4.2	Cosmos Imp	240	28	28	27½	27½
8½	6¾	■.30	...	R. L. Crain	25	7	7½	7½	7½
120	95	■5.00	..	Cres. Cream, p.	20	108	108	106	108
52½	47½	2.00	4.0	Crown Cork	10	49½	49½	48	48
105½	105	4.00	3.7	Crown Trust	25	105	105½	105	105½
54¾	43	3.00	6.8	Crow's N. Coal	5	44	44	43	43
3.00	1.50	.	...	Cub Aircraft	875	1.65	1.65	1.50	1.50
29	20	1.00	...	David & Fre. A	125	25	25	25	25
7½	2	.	...	Do. (B)	50	5½	5	5	5
34	29½	1.50	4.9	Davis Leath. A	265	30¾	30¾	30	30
16½	11½	.70	5.6	Do. (B)	555	12½	12½	11½	11½
30½	23½	.60	2.6	Distill-Seagram	15360	23	23½	20½	21½
110½	110	5.00	...	Dom Ang Inv p	20	110	110	110	110
36½	25	1.00	3.3	English Electric	1110	29½	28½	28	28
13¾	7	.	...	Do. (B)	45	8	7¾	7¾	7¾
13	10	.	...	Equitable Life	80	11½	11½	11½	11½
6	3½	*.25	...	Fairchild Air	425	3¾	3½	3½	3½
22½	15	.60	3.2	Fam. Players	8060	19	19	17	18½
66	48	▲1.50	2.9	Fanny Farmer	1895	52	52½	48	49½
10¾	5¾	.	...	Federal Grain	1295	9½	9½	8¾	9
134	98	■6.50	..	Do. pref.	345	127	125	112½	121
7½	6½	.	...	Fittings	80	7	7	7	7
14½	12	.	...	Do. pref.	205	12½	12½	12	12½
11	4	■.25	...	Fleet Aircraft	2825	11	10¾	10	10¾
32¾	21	1.00	4.3	Ford Motor A	4970	23½	23	21	22
18	12	.	...	For. Pr. Sec. p	135	12	12	12	12
34	25	1.40	4.7	Foundation Co.	455	27	26	25	25
75½	47	2.00	3.6	Fraser Cos.	18654	56½	55¾	47	49½
100½	100	4.50	...	Freiman, pf n.	5	100	100	100	100

Range 1946 High	Low	Div R'te $	Sept13 Y'ld %		Sales	Last Sept. 6	Week end. Sept. 13 H	L	Cl'se
20	13½	■.97	...	Gatineau Pwr.	612	18½	19	16	17½
111	105	5.00	4.6	Do. pref.	185	109½	109½	109½	109½
111	106	5.50	5.0	Do. 5½%	30	110	110	110	110
7¾	3½	.	...	Gen. Bakeries	95700	4½	5½	3½	4¾
*21½	9	.	...	Gen Products A	5	21	20	20	20
20¾	15½	.80	4.6	Gen. St. Wares	2420	17½	17½	15½	16½
109½	105	5.00	4.8	Do. pref.	140	105	106	105	105
125	99½	■2.00	...	Goodyear Tires	250	112	110	109	110
57	52½	4.00	7.1	Do. pf. n 4%	335	56	55	54½	55
12½	10¾	.50	4.4	Gord. Mackay	2370	11¾	11½	10¾	11¾
35	15	1.50	3.0	Gt. Lakes Pap.	4285	25½	25½	20	22½
70	42	■.75	...	Do. pref.	815	62	57	54	55½
12½	10½	■.30	...	Stand. Brock A	125	11	11	10½	10½
8	7	■.20	...	Do. (B)	30	8	7	7	7
20½	10½	.60	...	Stedman Bro n	355	18½	18½	18½	18½
93	73	3.00	3.6	Steel of Canada	1160	84	84	73	79
95	77	3.00	3.3	Do. pref.	315	90	90	77	84
29½	25	.	...	Stowell A pref	5	29½	28	28	28
23½	18½	.30+.25‡	1.4	Stuart, DA p	25	21	21	21	21
27½	21½	.80+■.10	3.2	Tamblyn	460	25	25	23	23
54½	52⅞	2.00	3.7	Do. pref.	70	53⅞	53⅞	53½	53⅞
7⅞	5½	.50	...	Taylor, P.	490	6½	6⅞	6	6
12½	11⅞	.50	4.0	Do. 5% pf.	175	12½	12½	12½	12½
23	14	.	...	Thrift Stores	7	16½	17	17	17
46	36	1.00	2.4	Tooke Bros.	97	41	46	40	46
46½	36	*1.00	..	Tor. Elevators	290	43½	43	41	41
170	143	■6.75	..	Tor. Gen. Tr.	35	170	170	166½	166½
14	11	.60	4.8	Toronto Iron	1135	12⅞	12⅞	12	12

Range 1946 High	Low	Div R'te $	Sept13 Y'ld %		Sales	Last Sept. 6	Week end. Sept. 13 H	L	Cl'se
130	110	5.00	4.3	Tor. Mtge.	8	115½	115½	115	115
35	23½	1.00	3.0	Traders Fin A.	285	34	34	34	34
183	165	7.00	...	Tuckett Tob. p	6	183	180	180	180
26	15½	.	...	Twin City	50	20½	15½	15½	15½
12¾	9½	.	...	Union Gas	11115	10½	10¾	9½	10
31	26	.	...	Un. Amuse. A.	25	31½	31	31	31
31	23½	■.50	...	United Corp. B	120	23½	23½	20	20
36	10	■.10	...	United Distill.	910	27¾	25	25	25
58	40¾	3.00	5.8	Unit. Fuel pf A	301	52½	52	49¾	50
20½	16	■1.00	..	United Grain A	171	17¾	18	17	17½
13½	8½	■.17½	..	United Steel	17340	10½	10½	9¾	10½
99	74½	4.00	4.4	Wabasso Cot.	100	90	86	84	84
159	108	4.00	3.0	Walker-Good.	8170	133	132¾	117	119
220	145	3.00	1.5	West Grocers.	220	205	205	205	205
30	24	■.50	...	Westeel	25	24	24½	24	24½
36¾	25	.80	2.9	Weston, George	2590	27¾	27¾	25	26
108½	104½	4.50	4.3	Do. 4½% pref.	30	106	105½	105½	105½
27	23	1.00	4.3	Wilsils	200	23½	23½	23	23½
13	11	.	...	Windsor Hotel.	169	12	12	12	13
21¾	10½	.	...	Winnipeg El. A	4223	12½	12½	10½	11½
105	94½	5.00	5.0	Do., pref.	112	100	100	99½	100
56	39½	2.00	3.8	Woods Mfg.	25	56	52	53	53
19	14	.	...	York Knitting	140	15½	15½	14	15
45	34	1.00	2.8	Zellers	280	42	38	35½	35½

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲N. Y. funds. ‡Extra. xOn arrears.

Mining Stocks

Range 1946 High	Low	Div. Rate $	Sept 13 Yield %	Company	Sales	Last Sept 6	Week Ending Sept. 13 High	Low	Close
.54	.19	.....	....	Alger	11,950	.25	.25	.23	.24
.30	.11	.....	....	Alta	500	.12	.13	.13	.13
1.85	.80	.....	....	Akaitcho	6,600	1.59	1.51	1.31	1.40
.41	.12	.....	....	Jacknife	6,500	.15½	.18	.15	.15
.37	.16	.....	....	Jack Waite	2,000	.17	.18	.16	.16
.65	.35	.....	....	Jason M.	23,900	.61	.60	.53½	.58½
.19	.06	.....	....	Jellicoe	6,866	.08	.12	.07	.08
.09	.03	.....	....	J. M. Cons.	9,558	.05	.05	.04	.05
2.25	.45	.....	....	Joliet Que.	92,720	.75	.80	.65	.80
.37	.10	.....	....	Kay Rand	1,500	.11	.15	.11	.15
1.75	1.10	.....	....	Kenville	13,600	1.20	1.15	1.10	1.15
17.87½	11.25	‡.20	....	K. Addison	25,665	12.37½	13.00	12.00	13.00
2.30	.99	.....	....	Kirk H. Bay	1,600	1.05	1.05	1.00	1.00
2.90	1.25	.....	....	Kirkland L.	14,008	1.40	1.50	1.30	1.31
.55	.16	.....	....	Kirk Town.	4,500	.21	.21	.18	.18
.13	.08	.....	....	Kootenay B	1,000	.11	.10	.10	.10
11.00	4.55	.....	....	Labrador	20,470	6.70	6.90	6.00	6.75
.65	.23	.....	....	Laguerre	10,700	.44	.48	.37	.41
1.42	.45	†.02	....	L. Dufault	13,700	.81	.80	.71	.75

Oil Stocks

High	Low	Rate	Yield	Company	Sales	Last	High	Low	Close
.11	.07	.....	....	Acme G. & Co.	1,000	.07½	.07½	.07½	.07½
.34½	.10	.....	....	Alta. P. Cons.	1,600	.11	.11	.10	.11
1.37	.90	‡.05	....	Anglo Can.	9,800	1.01	1.02	.90	.96
.23	.06	.....	....	Apex	12,000	.09½	.09	.08½	.09
.55	.18	.....	....	Br. Dom.	35,900	.22	.22	.19	.20
2.90	1.70	.10	5.4	Calg. & Ed.	7,950	1.85	1.90	1.72	1.75
.56	.21	.....	....	Calmont	4,400	.24	.24	.22	.22½
.36	.28	‡.00½	....	Commoil	300	.30	.30	.30	.30
.85	.30	.....	....	Dalhousie	1,173	.35	.34	.30	.34
.20	.10	‡.10	....	Davies Pete	2,000	.12	.12	.12	.12
.13	.05½	.....	....	East Crest.	18,000	.06½	.07	.05½	.06
2.20	1.45	‡.25	....	Foothills	2,750	1.95	1.96	1.75	1.76
1.00	.75	.....	....	Gaspe	300	.90	.95	.90	.90
.14½	.06	.....	....	High Sarcee	3,000	.06	.07	.06	.06
4.40	2.50	‡.15	....	Home	7,300	2.75	2.80	2.50	2.60
.11	.05	.....	....	Homestead	21,500	.09	.08½	.06½	.06½
.09	.01½	.....	....	Marvel	1,300	.03	.02	.01½	.02
.14	.05	.....	....	McD. Segur	2,000	.06	.06½	.06½	.06½
.08	.03	.....	....	McLeod	500	.03½	.04½	.04½	.04½
.17	.06	.....	....	Midcont	18,000	.07	.07½	.06½	.06½
.13	.06	.....	....	Mill City	2,000	.06	.07	.07	.07
.26	.17	‡.02	....	Model	1,500	.18½	.19	.19	.19
.07	.03¾	.....	....	Oil Select	500	.04½	.04½	.04½	.04½
.90	.40	.....	....	Okalta	2,000	.43	.43	.41½	.41½
.18	.05	.....	....	Pacalta	500	.09½	.08	.08	.08
1.65	.70	.10	....	Pac. Pete.	18,900	.83	.90	.75	.78
.12	.07½	.....	....	Princess P.	2,000	.09½	.08	.08	.08
1.57	.55	.....	....	Roxana	11,300	.66	.72	.55	.70
.05½	.03	.....	....	Royal Can.	9,000	.03½	.03½	.03½	.03½
25.50	16.00	1.00	5.8	Royalite	370	17.37½	17.25	16.00	16.50
.40	.18	.....	....	So. West Pete	1,000	.20	.18	.18	.18
.10½	.07½	‡.01	...	Sunset	2,000	.08½	.09	.09	.09
.16½	.09	.....	....	Vanalta	2,000	.11½	.11	.10	.10

* Paid in 1944. * N. Y. Funds. † Paid in 1945. x Extra. ■ Sub. appl. F. E. C. B. Repayment. ‡ Paid or payble in 1946. ‡ Capital

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Sept. 16	......	1,232,000	......	1,950,000
Sept. 14	......	......	......	......
Sept. 13	243,600	911,000	75,489	2,170,000
Sept. 12	295,600	855,000	42,915	2,540,000
Sept. 11	283,000	1,110,000	49,535	3,720,000
Sept. 10	303,300	1,480,000	58,795	4,220,000

Unlisted Mines

Approximate quotations, 3 p.m., Sept. 16, subject to confirmation:

Abenakis	.06	.08
Advance	.09	.11
Alb Riv n	.29	..
Alcan	.06	.07
Alexander	.13	.16
Aljo	.02½	.07
Ama Kir	.12	.14
Anna'que	.07	.09
Anoki	.07	.10
Argonaut	.07	.09
Audley	.02	.04
Aurlando	.06	.09
Aurora Y	.35	.40
Auterra	.04	.06
Barb L n	.06	.09
Blondor	.06½	.08
Bl Grass	.05	.07
Bouzan	.07	.10
Bour Cen	.07	.10
Brae Br	.05	.07
Bravo	.04½	.05½
Brig R L	.10½	.12
Brock	.14	.17
Burley P	.01½	.02½
Camlaren	.08	.10
Carlmac	.20	.23
Carricona	.05	.07
Cassidy	.17	.20
Cen Mani	.05	.07
Cheskirk	.14	.17
Chimo	.45	.50
Cock RL	.08½	.09
Columb	.09	.11
Con Chib	.24	.27
Con Cop	.20	.22
Courageo	.11	.13
Craibbe	.20	.25
Croydon	.08	.10
Cuyuni	.95	1.10
Derlak	.06½	.08
Despina	.20	.23
De Sant n	.07	.09
Dexter	.50	.60
Dom Mal	.02½	.03½
Dona Pat	.02½	.03½
Doris	.42	.46
Dunford	.07½	.10
Eastward	.28	.32
Echo Ind	.11	.14
Electra	.10	.13
Elmac	.29	.32
Erin Kirk	.03½	.05
Eurek Co	2.25	2.30
Flicka	.27	.30
Gilbec	.01	.03
G'drock	.02½	.03½
Gord Leb	.06	.07
Gov Gold	.08	.10
Greenlee	.19	.22
Gwillam	.08	.10
Habitant	.14	.17
Harp Mal	.03½	.05
Hayes C	.03½	.05
Hornifault	.16	.18
Hoyle	.19	.22
Hugh P	.09	.11
Independ	.11	.13
Indyke	.13	.17
Joannes D	.04	.06
Kamlac	.32	.35
Ken-Bay	.10	.15
Kencour	.05	.07
Kenda P	.30	.34
Lk Rowan 1945	.24	.27
Lk Expa	.08	.10
Lar Add	.07	.08
Lard U	.07½	.08½
La Salle	.13	.15
Lavalie	.08½	.09½
Legardo	.03	.05
Lennie	.15	.18
Lingnora	.11	.14
Louvore	.04	.06
Major Oil	.05	.07
Mallen RL	.13	.15
Manter	.05	.07
Marbenor	.26	.29
Marquet	.03½	.05
Mar Bird	.09½	.11
Mary Ann	.21	.23
Mat Con	.23	.26
Mate Yel	.07	.09
Metalore	.10	.12
Mic of C	1.75	2.25
Miles RL	.20	.23
Moffat H n	.03	.04
Moh'k P	.03	.05
Murbell	.03	.04
Murmac	.16	.19
McCuaig	.11	.13
McManus	.13	.15
Nat Mal	.32	.35
Nayb '45	.38	.42
Nereco	.24	.27
New Aug	.09	.11
New Mal	.05	.07
Nic Off	2.25	2.75
Norbeau	.65	.75
Norcourt	.11	.13
Norford	.08	.11
Normar	.10	.12
Nortyne	.04	.06
Novele P.	.06	.08
Obalski	.17	.19
Do., 1945	.37	.40
Obaska	.23	.26
Oklend	.07½	.08½
Olivet	.03	.04
Opemiska	.20	.22
Orpit	.05	.08
Ortona	.09	.11
Pascalis	.25	.27
Peg Tan	2.50	2.70
Pelangio	.12	.13
Phelps	.04	.06
Pinnacle	.05	.07
Poona Go	.02½	.03½
Presdor	.12	.13
Privateer	.59	.64
Quest	.27	.30
Rajah RL	.07	.09
Rambull	.03	.04
Rand Mal	.10	.13
Raym Tib	.06	.08
Rebair	.25	.27
Redruth	.05	.07
Redwood	.07	.09
Richgroup	.08	.11
Ritoria	.06	.08
Rhyolite	.03½	.04½
Rugged	.26	.28
Rupun	.33	.36
Salmita	.28	.30
Santiago	.51	.53
Sepha	.07	.09
Sheldon	.45	.49
Skyn Lk	.03½	.05
Sovereign	.13	.16
Steeber	.02	.04
Sun Bear	.07	.09
Thornhill	.07½	.08½
Tiffany	.05	.07
Tobico	.03	.04
Tovarich	.03	.04
Typhoon	..	.35
Val d'Bel	.06	.08
Vin Min	.12	.15
Vinray	.11	.14
Virginia	..	.21
Wesley	.03	.04
West RL	.07	.09
W Shore	.03	.04
Wilwood	.05	.07
Winchest	.19	.21
Wingait	.10	.12
Yel'knife	2.25	3.00
Y Davids	.34	.38

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co. Inc., Plaxton, MacDonnell & Co., and Kamm, Garland & Co.)

Sept. 16, 1946

	Bid	Ask
Allens Toronto units	38.00	....
Anglo Can. Telephone A	11.00	12.00
British Mortgage & Trust	165.00	....
B. C. Sugar	95.00	99.00
Canada Machinery com.	17.25	18.50
Canada Paving 1st pfd.	7.75	....
Canadian Airways	3.75	4.00
Can. Ingersoll Rand	....	62.00
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A	12.00	13.00
Can. Silk Prod., A	28.00	30.00
Can. West Nat. Gas com.	40.00	....
Can. West Nat. Gas pfd.	106.50	108.50
Capital Trust Co. $100 par	75.00	83.00
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase A. W. units	34.00	....
Colonial Steamships com.	80.00	85.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% pd.	7.00	9.00
Commonw'lth Inter. Corp.	3.50	3.85
Confed. Life Assce.	151.00	....
Continental Life 20% pf.	29.00	....
Detroit Internat. Bridge	14.000	15.50
Dover Industries Ltd.	12.75	13.75
Dunlop Tire pfd.	26.00	27.50
Empire Life Ins. 25% pd.	16.50	18.00
Federal Foundries & Steel com.	2.25	3.25
Foreign Power Sec. pfd.	12.00	14.00
Galt Brass com.	28.00	....
Goderich Elev. & Trans.	16.25	17.75
Great Lakes Power pfd.	114.00	116.50
Great West Life	400.00	425.00
Guardian Realty pfd.	35.00	....
Guaranty Co. of N. Amer.	225.00	....
Guelph and Ont. Svgs. $50	56.00	....
Gurney Foundry pfd.	3.00	3.75
Hart Battery com.	7.50	8.50
Lambton Loan & Inv. $50	56.00	....
Loblaw Groc. Inc.	22.00	23.00
London & West. Tr. $100	102.00	....
Manufacturers Life Ins.	290.00	320.00
Midland Loan & Svgs. $10	19.00	....
Monarch Life Assoc 30%	90.00	....
Monarch Mtge. units	3.75	5.00
Montreal Island Power pfd.	....	40.00
Montreal Trust Co.	93.00	....
National Drug & Chem. c.	9.50	10.50
New Brunswick Telephone	13.00	15.00
Ont. Beauty Supply	2.00	2.50
Do., pref.	18.50	20.00
Ont. Tobacco Plant units	37.50	....
Paramount Kitchener units	54.00	....
Provincial Bank of Canada	13.25	14.00
Provincial Paper, pfd.	108.00	108.75
Prudential Trust	9.00	....
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	106.00	....
Sawyer Massey com.	2.00	3.25
Seiberling Rubber com.	12.00	....
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	130.00	....
Sovereign Life Assce. 25%	35.00	....
Standard Fuel, pfd.	30.00	31.25
Standard Fuel com.	4.50	6.50
Sun Life Assce.	320.00	345.00
Third Can. Gen. Inv.	3.75	4.00
Toronto Carpet pfd.	93.00	....
Toronto General Ins.	6.00	7.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.00	28.00
Victoria Trust & Svgs.	121.00	....
Waterloo Mfg. com.	8.50	9.50
Waterloo Trust & Svgs.	116.00	....
Western Assurance com.	63.00	68.00
Western Grain com.	2.10	2.50
Western Grain pfd.	46.00	49.00
York Trading com.	6.75	8.75

Significant Investors' Index Numbers

	Mach. and equip	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	8	4	4	9	13	8	16	14	8	18	100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	128.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	80.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	122.5
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.9	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	277.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.6
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	123.3
July	190.0	266.1	140.0	71.8	206.4	134.0	430.2	157.3	109.8	135.3	133.2	119.1
1946: Weekly Figures:												
Aug. 1	184.5	264.3	133.9	71.5	206.0	132.9	434.9	155.3	108.8	133.1	129.8	117.8
Aug. 8	186.0	272.1	140.1	70.8	206.2	130.1	446.4	156.2	111.7	133.7	131.8	118.4
Aug. 15	192.8	276.2	140.8	72.2	211.0	131.0	447.0	156.3	112.1	132.7	132.8	119.3
Aug. 22	189.0	266.4	139.7	71.2	209.7	128.9	427.5	154.3	108.8	132.4	130.3	116.9
Aug. 29	182.5	230.7	137.0	69.1	204.5	129.6	401.0	149.6	106.9	130.5	126.3	113.1
Sept. 5	171.7	249.9	131.4	69.0	199.1	125.9	391.2	145.0	104.0	127.7	123.7	110.4
Sept. 12	161.8	225.0	121.0	64.2	187.8	125.0	349.5	134.6	101.2	121.5	119.0	104.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Sept. 16	179.27	96.18	81.30	22.11
Sept. 14	......	......	......	......
Sept. 13	177.07	95.81	81.33	22.03
Sept. 12	176.16	96.38	81.01	22.05
Sept. 11	175.87	95.14	80.37	21.90
Sept. 10	173.37	94.05	79.11	22.17
Month ago	204.85	104.22	90.54	24.38
Year ago	154.20	127.67	79.44	28.27
1946 High	207.83	147.31	108.20	33.69
1946 Low	173.37	94.05	79.11	21.90

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Ppra.	15 Golds
Sept. 16	73.6	121.9	105.8	307.67	72.60
Sept. 14	...	.....	.....	......	......
Sept. 13	74.2	121.4	105.7	307.31	72.76
Sept. 12	73.0	119.5	104.0	301.87	71.76
Sept. 11	72.9	118.4	103.2	307.31	71.08
Sept. 10	72.2	116.7	101.8	290.86	73.24
Month ago	77.9	139.9	119.2	367.65	78.74
Year ago	64.7	105.7	92.0	210.74	92.17
1946 High	83.9	149.4	126.7	410.80	118.56
1946 Low	73.2	116.7	101.8	290.86	71.08

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Sept. 16	174.45	51.18	35.80	63.74
Sept. 14	......	......	......	......
Sept. 13	173.39	51.03	35.66	63.42
Sept. 12	171.70	50.38	35.02	62.68
Sept. 11	172.13	50.36	34.78	62.71
Sept. 10	167.37	48.59	33.80	60.86
Month ago	200.89	62.33	41.25	74.44
Year ago	176.65	56.02	33.45	65.01
1946 High	212.50	68.31	43.74	79.44
1946 Low	167.30	48.59	33.80	60.86

Government Bonds

Sept. 17, 1946 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105⅓	105¾
3	Mar. 1954	105¾	106¾
3	Nov. 1956	105¾	106¾
3	May 1957	104¾	105¾
3	Jan. 1959	104¾	105½
3	June 1960	104¾	105½
3	Feb. 1962	104¾	105½
3	Dec. 1946	100	100½
2½	Mar. 1948	101½	101¾
1¾	Nov. 1946	100	100½
1¾	May 1947	100½	100¾
1¾	Mar. 1948	100⅓	100¾
1¾	Nov. 1948	100	100½
1¾	Nov. 1950	100½	101½
3	Oct. 1963	104¾	105½
3	Sept. 1966	104¾	105½
1¾	Nov. 1949	100½	101½
Dom. of Canada Bonds			
3½	Nov. 1951	103½	103¾
4	Oct. 1952	102¾	103½
3½	Feb. 1952	104¾	105½
3	Oct. 1952	103½	103½
3	June 1953	104½	104¾
4½	Nov. 1956	100½	101¾
4½	Nov. 1957	103⅓	103¾
3	June 1958	104½	105
4½	Nov. 1958	105½	106
4½	Nov. 1959	107¾	103¾
3½	June 1966	106	106¾
3	Perpetual	103¾	104¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103½	104½
4½	Sept. 1951	112	113½
4½	Feb. 1956	120	122
4½	July 1957	120	122
3	Feb. 1953	101½	102¾
4¾	June 1955	120	122
5	Feb. 1954	118	119
5	Feb. 1970	115½	117
5	Oct. 1969	115	116½
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	121	123½
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107	109
4	Jan. 1962	119	121
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	101	103
3½	Aug. 1949	101½	101¾
3½	June 1956	103¾	105½
4½	Apr. 1961	118	120
5	Jan. 1960	123	125
Nova Scotia:			
3	Jan. 1952	103½	105
3½	June 1956	104¾	106¾
3½	Nov. 1950	104¾	106½
4½	Sept. 1952	102¾	104¾
4½	Nov. 1960	120½	122½
5	Mar. 1960	125	127
Ontario:			
3	Nov. 1950	101	102
3½	Nov. 1951	104	105½
3½	May 1955	106	107½
4	June 1962	117½	119½
4½	June 1950	109	110½
4½	Jan. 1962	124	126
5	Oct. 1948	106½	107¾
5	Dec. 1960	129	131
Ont. Hydro Commission:			
3½	Feb. 1953	104½	105¾
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3½	Mar. 1948	101½	103
3½	Mar. 1959	105½	107
4	Nov. 1962	106	108
3¾	Feb. 1955	106	108
4½	Aug. 1953	113	115
4½	Jan. 1963	119	120
Alberta:			
3½	June 1964	101½	103
3½	June 1966	101½	103
3½	June 1968	101½	103
3½	June 1972	101½	103
3½	June 1978	101½	103
British Columbia:			
4	Dec. 1957	112	114½
4½	Jan. 1951	109½	112
4½	Oct. 1953	113½	113¾
5	Apr. 1954	117	119
Manitoba:			
4	Mar. 1957	112	114
4½	Dec. 1956	115	117
5	Dec. 1959	124	126
5½	Oct. 1955	119	...
Saskatchewan:			
4	Sept. 1954	100½	102¾
4	Nov. 1960	102¾	104¾
4½	Oct. 1951	105½	107½
4½	Mar. 1960	103	110
5	Aug. 1958	111	113
5½	Oct. 1952	109½	111½
6	Mar. 1952	111	113

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Sept. 13 Bid	Ask
Acme Glove pref.	...	10	..	..
Aluminium pref.	▲6.00	120	..	..
Andian Nat.	▲■.50	18½	..	18
Assoc. T. & T. A.	*1.02	10¾	..	..
Do., pref.	*1.19	66½	..	..
Ault & Wiborg	5.50	107	105	107
Beath & Sons	■1.00	21	..	..
Beaver Lumber pf.	■7.00	165	147	165
Belgium Glove	■.37½	10¾	..	..
Bertram & S. (B)	...	4¾	4½	5
Blue Ribbon	...	11¾	9	10½
Blue Top Br. (B)	■.48	40	25	41
Brant. Cord pf.	1.30	27	27	28
Brant. Roof.	■.25	18	16	20
B. C. Pulp & P.	■3.50	164½	..	..
Caldwell Linen	.50	14½	13	14½
Canada Bread p.	4.00	107½	106½	107
Can. Cr. Stone	.40	7	7½	..
Canada Cycle, p.	5.00	109	108	109
Can. Forg. (B)	...	42	35	..
Can. Iron	■.80	22½	..	20
Do., pref.	.60	15	..	..
Can. Starch	†.50	13	10	15
Do., pref.	*1.00	105	105	120
Can. Bakeries	...	10½	9	10
Can. Bronze pf.	5.00	106	106	110
C. Celanese Rts.	1.00	24½	23¾	..
Can. Convert. (B)	...	14	13¾	13¾
Can. Cottons	■1.60	48	..	44
Can. Fairb.	6.00	150	150	160
Do., pref.	1.00	39¾	..	..
Canadian Fire	4.00	92	85	..
Can. Gen. Sec.	...	20	20	..
C. Int. I. Tr. pf.	5.00	107	89	106
Can. Lt. & Pr.	*1.00	12	11	..
Can. Oil 5% pf.	5.00	105½	181	185
Do., 8% pref.	8.00	181	105¾	107
C. Pr. & Pa. In. pf.	...	13	..	..
Can. Shipbldg. (A)	.60	11	..	..
Do. (B)	.40	9	3	..
C. Wallpaper (B)	1.00	24½	20	24½
C.W. Box (A)	1.50+■.37½	25¾	25½	25½
Carnation pfd.	▲4.00	116½	106	..
Cassidy's	.14	13	13	16
Do., pref.	7+▲3.50x	145	135	..
Celtic Knit	■.20	6½	..	7
Cent. Can. L'n.	8.00	185	181	..
Chart. Trust	5.00	125½	124½	135
Circle B. Knit.	.60+.20‡	25	22	23
Coll. Terminal	■.25	7	7	..
Do., pref.	■.25	6	5½	..
Con. Div. Sec. (A)	...	.75	..	1.00
Do., pref.	.75	19	..	..
Cons. Fire Co.	...	3¾	4	..
Cons. Press	1+■.50	20½	28½	31
Cons. Sand pf.	†2.50	100	..	..
Corr. P. Box 5% p.	5.00	105	103½	104¾
Crown Dom. Oil	...	8	8	..
Cons. Textile pf.	...	18½	..	18
De Havilland	...	20	19	23
Do., pref.	...	175	130	175
Disher Steel	...	4½	3	4
Do., pref.	†1.50	22½	23½	..
Distill-Seagram p.	▲5.00	106½	106	113
Dom. Ang. Inv.	3+■.20	75	105	..
Dom. Dairies pf.	1.75	34½	..	35
Dom. Envelope	†.20	6	..	..
Do., pref.	3.00	54	..	..
Dom. Fabrics	.80	17	13	15
Do., pref.	3.00	54	54	..
Dom. Malting pf.	5.00	106½	102	109
East Koot. Pr. pf.	...	32	..	..
East. Theat.	*.50	18½	20	29
Easy Washing	*.50	15½	13	14½
Economic Inv.	■2.00	43	30	40
Esmond Mills	1.00	22	..	22
Federal Fire	■2.50	51¾	..	..
Fleury Bissell	...	2	2½	3
Do., pref.	...	25	25½	..
Ford Motor (B)	1.00	29	20	29
For. Pr. Secs.	...	60	50	65
Freiman	...	22	..	..
Gen. Prod. pref.	5.00	100½	21	..
Gord. Belyea	...	59½	..	..
Gord. MacKay (B)	.50	24	20	25
Godfrey	■.75	37	..	..
Gould Pumps	■.45	16½	..	..
Grand & Toy	■.60	11½	10½	15
Gt. West Life	15.00	401	400	..
Gt. W. Saddlery p.	3.00	54½	53½	..
Growers Wine	...	1.60	..	..
Guaranty Trust	5.50	120	116	..
Gurd, Chas., pf.	...	143	..	..
Hahn Brass	...	9½	9	9
Hillcrest Coll.	...	21	..	..
Holt Renfrew	...	45	40	..
Do., pref.	7.00	175	170	..
Ho. De LaSalle	▲.25	20	20	25
Hunts (B) new	■.20	13½	10	12½
Huron & E. Mt. 20% pd.	4%	20	19¾	20
Imperial Varnish p.	1.50	33	30	..
Indust. Accept. p.	5.00	105	105	..
Inter'c Coal pf.	8.00	130	..	..
Int. Coal & Co.	.01½	31½	37	42
Int. Metal Ind. pf.	4.50	103½	100¾	101
Int. Mill., pf.	■4.00	115	106	..
Int. Nickel pf.	▲7%	123	..	..
Int. Pap. & P. pf.	▲5.00	125	..	..
Int. Power pf.	6.00	..	..	..
Invest. Foundation	■.25	13½	..	13½
Do., pref.	3.00	52½	51	53
Journal Pub. Ot.	.68	15¾	14	16½
Langleys pref.	3.00	75	60	75
Levy Bros.	■.50	8½	6	..
Lindsay, C. W.	...	20	..	20
Do., pref.	▲4.00	101	110	150
MacMillan	.30	17½	..	..
Mackin Steel	...	6	6	8
Do., pref.	5.00	80	80	80
Maritime Tele.	.80	21¾	21	..
Do., pref.	.70	22	21½	..
Marcus Loew's	4.00	86	81	90
Do., pref.	7.00	115	108	114
Mexican Lt. pf.	...	18	..	..
Mitchell, J. S.	*2.50	75	76	95
Monarch Life 30%.	12%	87	90	..
Mont. Is. Pr.	...	25	25	..
Mont. L. & Pr. Nts.	...	50	..	..
Montreal L'n	1.25+.25‡	48	55	..
Moore Corp. p. (A)	▲7.00	298	284	303
Do., pref. (B)	▲7.00	320	396	480½
Morrison Brass	...	5	4	6
Murphy Paint	.80	29	..	29
Do., pref.	5.50	105	..	..
Neon Prod. of W.C.	.80	12⅞	..	..
Nor. Can. Mtge.	■.50x	13½	14	18
Nor. Trusts	■.80	21½	..	..
N. S. L. & Pr. pf.	6.00	112	106	112
Ogilvie Flour pf.	7.00	182	180	..
Ont. Steel pref.	7.00	120	120	..
Pantepec Oil	■▲.64	14	8	13
Paton Mfg.	4.00	85	..	..
Do., pref.	7.00	130½	..	..
Penmans pref.	6.00	150	148½	..
Premier Trust	2.00	58	57	58½
Quebec P. & Pap.	...	125½	..	..
Que. Telephone	.40	8	8	..
Quinte Milk	■.35	7½	7½	..
Regent Knit pf.	.60	25⅞	26	..
Reliance Grain	...	20	15	22
Robertson P. L., p.	2.50	50	50	55
Russell Indust. pf.	7.00	605	..	600
Saguenay Pr. p.	4.25	105⅞	105	106
Sangamo	1.00	40	..	40
Scythes & Co. pf.	1.25	27½	26½	27½
Silverwoods W.A.	5.00	85	100	102
Simon & Sons pf.	5.00	105	105	..
St. Law. Flour pf.	7.00	160	162½	165
Stand. Clay	...	15	13¾	..
Stand. Radio	.40	6¾	..	..
Sterling Coal	...	9½	9	..
Sterling Trust	4.00	105½	105	110
Stop & Shop	...	2½	1½	3
Stowell (A) pf.	1.50	29½	..	28
Do. (B)	...	9½	9½	10
Sup. Pete ord.	1.00	48½	..	..
Do., com.	1.00	35	..	..
Thayers	...	9	5	10
Do., pref.	■2.10	36	35	41
Theatre Props.	...	4	4	5
Thrift Stores	■.80	16½	15¾	..
Do., pref.	1.62½	37	..	..
Toronto Iron (B)	.60	12¾	..	12
Traders Bldg.	4+1‡	80	..	80
Traders Fin. (B)	1.00	34	32	34
Do. (A) rights	1.00	21½	21½	25
Do. (B) rights	1.00	21	17	..
Un. Amuse. (B)	▲.50	29¾	30	..
United Corp. (A)	1.50	28	30	31¾
United Fuel (B) pf.	...	7	..	..
United Secs.	...	8	..	9
Viau Bisc.	...	20	..	..
Do., pref.	5.00	102	..	..
Viceroy	■.21	8	6	8
Walker-Good. pf.	1.00	20	122	123
West. Brew.	■.25	12½	12	12½
West Grain.	...	225	..	200
Do., pref.	...	47	46	48
West. Grocers pf.	7.00	230	..	..
W'minster Pap.	*1.00	20	..	..
Willson Stat. pf.	5.00	101	..	102½
Wood, A. & J. p.	7.00	135	130½	140
Wool Combing	1+.50x	25	21	25
York Knitting pf.	7.00	175	150	..
Zellers 5% pf.	1.25	27½	25¾	..
Do., 6% pref.	1.50	28	27½	28

*Paid in 1945. ■Paid or payable in 1946. ‡Extra xOn arrears. †Paid in 1944. ▲N. Y. funds.

Mining Stocks

	Div.	Last sale	Bid	Ask
Ashbourne	...	.13½	..	..
Bear Lake	...	.01	..	..
Bouscadillac G.M.	...	.09	.08	.10
Bouzan	...	.09	.08	..
Bruce Cons.	...	.01	..	..
Celta Dev.	...	.30	.30	.31
Cent. Manitoba	...	.06½	..	..
Coast Copper	...	1.75	..	..
Coniagas	...	1.90	..	..
Cryderman	...	.01½	..	..
Douglas Lake	...	.10	..	..
Forty-Four	...	.72	.60	.70
George Copper	...	.13½	..	..
Golconda	...	.20	..	..
Graham Bosquet	...	.13	..	..
Grandoro	...	.14	.13½	.15
Great Falls M.	...	.02	..	..
Hallnor Mines	‡.21	4.90	4.90	5.00
Int. Mining	...	10.00	..	..
Island Lake	...	.03½	..	..
Kerr Lake	‡.05	.75	.55	.95
Knee Lake	...	.02½	..	..
McGillivray C.	...	.20	..	..
Mentor Explor.	...	2.30	..	..
Nipissing	...	2.75	..	2.65
Northern Empire	†.10	2.30	1.75	..
Pacific East.	...	.55	..	.70
Packsack	...	.03	.06½	.03½
Placer Devel.	†.50	14.50	..	..
Proprietary	‡.25	12.75	.12	.14½
Prospectors Air's	...	.49	.38	..
Quebec Y.K.	...	.22	..	.22
Red Cloud	...	.02	..	..
Red Hawk	...	.03	..	..
Rice Lake	...	.02½	..	.02½
Silbak Prem.	...	1.05	..	..
Silver Ridge	...	.35	..	..
S. American G.	†*.20	1.10	..	..
Squaw Lake	...	.34	..	..
Star Lake	...	.02	..	.02
Sunloch	...	.02	..	..
Tiblemont	...	.15	..	..
Winnipeg R. Tin.	...	.01¾	..	..
Oil Stocks:				
Admiral	...	.09	..	..
Advance	...	.01	..	..
Alliance	...	.07	..	..
Anaconda	...	.04¾	..	..
Arrow	...	.05	..	..
Coastal	†.03	.24	.25	..
Command	†.01½	.14	..	..
Common Pete.	...	.35	.33	..
Federated P.	...	.38	..	..
Freehold	...	.01½	.01½	.01½
Grease Creek	...	.03½	..	..
Hargal	...	.03	..	..
Jump. Pound	...	.18	.18	..
Kitalto	...	.13	..	..
Lethbridge	...	.01½	.01½	.01
Lowery	...	.01	..	..
Madison	...	.01¾	..	.01¾
Mar Jon	...	.00½	..	..
Mercury	...	.05½	.06½	.04½
Merland	...	.02	..	..
National Petrol.	‡.01	.14	.15	.13½
New Ranch	...	.01¼	..	..
Nordon	...	.18	..	..
Phillips P.	...	.02¾	.03½	.02½
Princess P.	...	.09½	.09	.08½
Richfield	...	.01½	..	.01½
Richland	...	.04½	..	..
Royal Crest	...	.05½	.07	.05½
Share Roy.	...	.02½	.03	.02½
So. Brazeau	...	.04	..	..
South End	...	.10	..	..
Spooner	...	.08½	.10	.07
Superior	...	.25	.27	.22½
Texas Can.	...	1.25	..	..
Trans. Alta.	...	.02	.02	.01½
Turner V.	...	.10	..	.13
United Oils	...	.07½	.07½	.08½
Vulcan	...	.18	..	.10
Warner	...	.00½	..	.00½
Wellington	...	.02	.02	.04½

‡Paid or payable in 1945. *N. Y. funds. †Paid in 1945.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atla., A	.25	Oct. 1	Sept. 10
Agnew-Surpass	.45	Dec. 2	Oct. 31
Amer. Cyanamid	.25	Oct. 1	Sept. 4
Asbestos	.20+.10	Sept. 30	Sept. 6
Ashdowne Hdwre.	.15	Oct. 1	Sept. 10
Atlas Steels	.50	Nov. 1	Oct. 16
Auto Fabric	.15	Oct. 1	Sept. 14
Bank of N. Scotia	.30	Nov. 1	Oct. 16
Beatty Bros.	.50	Oct. 1	Sept. 14
Do., B	.50	Oct. 1	Sept. 14
Beaver Lumber, pf.	1.75	Oct. 1	Sept. 10
Belding Cort.	1.50	Oct. 1	Aug. 31
Do., 7% pf.	1.75	Oct. 1	Aug. 31
Belgium Glove	.10	Oct. 1	Sept. 12
Do., 5% pf.	.25	Oct. 1	Sept. 12
Bell Tele.	2.00	Oct. 15	Sept. 16
Blue Top Brew.	.20	Sept. 30	Sept. 15
Brant. Cordage	.12½	Oct. 15	Sept. 20
Do., pref.	.32½	Oct. 15	Sept. 20
B. C. Electric	1.50	Oct. 1	Sept. 20
B. A. Oil	.25	Oct. 1	Sept. 5
B. C. Power	.40	Oct. 15	Sept. 20
Building Prod.	.25	Oct. 1	Sept. 14
Burlington Steel	.15	Oct. 1	Sept. 10
Calgary & Ed.	.05	Oct. 15	Sept. 18
Can. Cottons	.45	Oct. 1	Aug. 20
Do., pf. 6%	.30	Oct. 1	Aug. 30
Can. Cycle, 5% pf.	1.25	Sept. 30	Sept. 12
Can. Perm.	2.00	Oct. 1	Sept. 14
Can. Dry	*†.15	Oct. 1	Sept. 11
Do., pfd.	†1.06¼	Oct. 1	Sept. 11
Can. For. Inv. Corp.	1.75	Oct. 1	Aug. 20
Can. Industries	.15	Oct. 31	Sept. 30
Do., 7% pf.	1.75	Oct. 15	Sept. 13
Can. N. Pwr.	.15	Oct. 25	Sept. 20
Do., 7% pfd.	1.75	Oct. 15	Sept. 20
Can. Breweries	.37½	Oct. 1	Aug. 31
Carnation	1.00	Oct. 1	Sept. 19
Cen. Can. Loan	2.00	Oct. 1	Sept. 18
Celanese Corp., 1st pf.	1.18¾	Oct. 1	Sept. 16
Do., 2nd pf.	1.75	Oct. 1	Sept. 16
Central Pat.	.03	Sept. 30	Sept. 10
Chartered Trust	1.25	Sept. 30	Sept. 16
Cockshutt Plow	.25	Dec. 2	Nov. 2
Confed. Life	1.50	Dec. 15	Dec. 10
Can. Food Prod.	.12½	Oct. 1	Aug. 31
Do., pf.	.25	Oct. 1	Aug. 31
Can. Oil, 6% pf.	2.00	Oct. 1	Sept. 20
Do., 5% pf.	1.25	Oct. 1	Sept. 20
Can. Pacific	.50	Oct. 1	Aug. 26
Can. Wire Box, A	.37½+.37½	Oct. 1	Sept. 10
Con Press	.25+.05	Oct. 1	Sept. 21
Cassidy's 7% pref.	‡1.75+1.75	Oct. 1	Sept. 3
Cinzano Ltd. 5½% pf.	2¾%	Sept. 30	Sept. 14
Com. Alcohol	.05	Oct. 15	Sept. 30
Do., 8% pf.	.10	Oct. 15	Sept. 30
Consumers Gas	2.00	Oct. 1	Sept. 14
Consol. Bakeries	.20	Oct. 1	Sept. 4
Can. Bread 5%	.62½	Oct. 1	Sept. 10
Do., 4½%	1.12½	Oct. 1	Sept. 10
Can. Packers B	.25	Oct. 1	Aug. 30
Do., A	.75	Oct. 1	Aug. 30
Can. Steamship	.50	Oct. 15	Sept. 20
Can. Canners	.31¼	Oct. 1	Sept. 7
Do., 5%	▲.25+.05	Oct. 1	Sept. 7
Do., 2nd pf	▲.15+.10	Oct. 1	Sept. 7
Can. Gen. Inv.	.15	Oct. 15	Sept. 30
Candn. Silk	.37½	Oct. 1	Aug. 31
R. L. Crain	.10	Oct. 1	Sept. 14
Crown Cork & Seal	.50	Nov. 15	Oct. 10
Can. Celanese	.50	Sept. 30	Sept. 16
Do.	.43¾	Sept. 30	Sept. 16
Can. Gen. Elec.	2.00	Oct. 1	Sept. 14
Can. Ing. Rand	.50	Sept. 27	Sept. 14
Can. Westinghouse	.50	Oct. 1	Sept. 16
David & Frere	.25	Sept. 30	Sept. 14
Dist. Seagrams 5% pref.	†.37½	Nov. 1	Oct. 10
Dome Mines	.27½	Oct. 30	Sept. 30
Dom. Bank	.25	Nov. 1	Oct. 15
Dom. Coal	.37+.38	Oct. 31	Sept. 27
Dom. Dairies 5% p.	.44	Oct. 15	Sept. 30
Dom. Foundries	.35	Oct. 1	Sept. 10
Dom. Glass	.25	Oct. 15	Sept. 30
Do., 7% pf.	.35	Oct. 15	Sept. 27
Dom. Oilcloth	.30+.10	Oct. 31	Oct. 1
Dom. Tar & Chem.	.25	Nov. 1	Oct. 1
Do., pref.	.25	Oct. 1	Sept. 3
Dom. Textile	1.25	Oct. 1	Sept. 5
Do., 7% pf.	1.75	Oct. 15	Sept. 16
Donnacona Pap.	.50	Nov. 1	Oct. 1
Economic Invest.	.80	Oct. 1	Sept. 3
Essex Packers	.62½	Oct. 2	Sept. 16
Famous Players	.15	Sept. 21	Sept. 7
Fanny Farmer	.37½	Sept. 30	Sept. 14
Foothills Oil & Gas	.12½	Oct. 1	Sept. 14
Foundation Co.	.35	Oct. 18	Sept. 30
Fraser Cos.	.50	Oct. 25	Sept. 30
Galt Brass	1.00	Sept. 25	Sept. 3
Gatineau Pr.	.22	Oct. 1	Aug. 31
Do., 5% pf.	1.25	Oct. 1	Aug. 31
Do., 5½% pf.	1.37	Oct. 1	Aug. 31
Goodyear Tire	1.00	Oct. 1	Sept. 3
Do., 4% pf.	.50	Oct. 30	Oct. 1
Grand & Toy	.15	Oct. 1	Sept. 20
Gt. West Life	3.75	Oct. 1	Sept. 20
Greening Wire	.05	Oct. 1	Sept. 3
Great Lakes	.25	Oct. 1	Sept. 9
Gr. W. Saddlery 1 p.	.75	Sept. 30	Aug. 31
Do., 2nd pref.	.75	Sept. 30	Aug. 31
Hendershot Paper 5% pf.	*2.50	Oct. 1	Sept. 14
Hinde & Dauch	.25	Oct. 1	Aug. 31
Hollinger Cons.	.08	Sept. 30	Sept. 3
Huron & E. Mtge.	1%	Oct. 1	Sept. 14
Hud. Bay Co.	7%+5%	Oct. 4	Sept. 12
Humberstone Shoe	1.25	Oct. 7	Sept. 16
Imper'l Bk. of Can.	.25	Nov. 1	Sept. 30
Imp. Tobacco	.10	Sept. 30	Aug. 13
Do., pref.	3%	Sept. 30	Aug. 13
Ind. Acceptance	1.25	Sept. 30	Aug. 31
Inter-City Baking	.75	Sept. 30	Sept. 16
Int. Nickel Co.	.40	Sept. 30	Sept. 3
Int. Bronze	.25	Oct. 15	Sept. 15
Do., 6% pref.	.37½	Oct. 15	Sept. 15
Intnl. Metal Ind.	.40	Oct. 1	Sept. 12
Do., pref.	.25	Oct. 1	Sept. 12
Do., 4½% pref.	1.12½	Oct. 1	Sept. 12
Intnl. Nickel	1¾%	Nov. 1	Oct. 2
Inv. Foundation, pf.	.75	Oct. 15	Sept. 16
Int. Paper	.50	Sept. 30	Sept. 20
Do., 4% pref.	1.00	Sept. 30	Sept. 20
Do., 5%	1.25	Sept. 30	Sept. 20
Jamaica Pub. Serv.	.17	Oct. 1	Aug. 30
Do., 7% pf.	1.75	Oct. 1	Aug. 30
Journal Pub. Co.	.17	Oct. 15	Sept. 18
Kelvinator	1.50	Sept. 25	Sept. 10
John A. Lang	.25	Oct. 1	Sept. 16
L. St. John Pr.	.50+1.00	Oct. 15	Sept. 23
Lamaque G. Mines	.08	Oct. 1	Aug. 26
Langley's 7% pfd.	.30	Dec. 11	Dec. 4
Lewis Bros.	.15	Oct. 31	Sept. 30
Do.	.15+.15	Jan. 31	Dec. 31
W. M. Lowney Co.	.12½	Oct. 15	Sept. 18
M. Loew's	1.00	Sept. 30	Sept. 10
Do., 7% pf.	1.75	Sept. 30	Sept. 10
Massey-Harris	.25	Oct. 15	Aug. 28
H. R. MacMillan	.05	Sept. 30	Sept. 20
Mercury Mills	.25	Nov. 1	Oct. 15
Mt. Royal Hotel	.35	Sept. 30	Sept. 16
McColl-Fr. 4% pf.	*.85	Oct. 19	Sept. 30
Mod. Containers	.30	Oct. 2	Sept. 20
Do., 5½% pf.	1.37½	Oct. 2	Sept. 20
Molsons Brew.	.25	Sept. 25	Sept. 4
Monarch Knit	*.20	Oct. 1	Aug. 31
Do., 5% pf.	1.25	Oct. 1	Aug. 31
Mtl. City & D. Bk.	.35	Oct. 1	Sept. 14
Moore Corp.	.05½	Oct. 1	Aug. 30
Do., A & B pfd.	†1.75	Oct. 1	Aug. 30
Murphy Paint	.20	Oct. 1	Sept. 14
Mtl. Locomotive	.20	Oct. 1	Sept. 3
Mtl. Telegraphs	▲.48	Oct. 15	Sept. 16
Nat. Brew.	.50	Oct. 1	Sept. 6
Do., 7% pref.	.44	Oct. 1	Sept. 6
Natl. Grocers	.15	Oct. 1	Sept. 16
Do., $1.50 pf.	.37½	Oct. 1	Sept. 16
Nat. Steel Car	.37½	Oct. 15	Sept. 16
Natl. Trust	*.22½	Oct. 1	Sept. 14
Nanaimo-Duncan Utilities	.25	Oct. 15	Sept. 15
Do., pf.	.81¼	Sept. 1	Aug. 15
Niagara Weaving	.25	Oct. 1	Sept. 10
New Method Laundry	1.62½+1.62½	Sept. 23	Sept. 3
Nova S. Lt. & Pr.	1.50	Oct. 1	Sept. 5
Nat. Biscuit	.30	Oct. 15	Sept. 10
Nat. Hosiery	*.15	Oct. 1	Sept. 6
Noranda	1.00	Sept. 14	Aug. 15
North Star Oil 7% pf.	.08¾	Oct. 1	Sept. 14
Ont. Loan & Deb.	1.25	Oct. 1	Sept. 16
Ogilvie Flour	.25	Oct. 1	Aug. 28
Orange Crush	.35	Nov. 1	Oct. 1
Ont. Steel	.25	Nov. 15	Oct. 15
Do., 7% pf.	1.75	Nov. 16	Oct. 16
Ottawa El. Rly.	.80	Oct. 1	Sept. 2
Ottawa L. H. & P.	.15	Oct. 1	Aug. 16
Do., 5% pf.	1.25	Oct. 1	Aug. 16
Pacific Pete.	*.05	Nov. 15	Oct. 31
Page-Hersey Tubes	.21¼	Oct. 1	Sept. 14
Paramount Pic.	.40	Sept. 27	Sept. 6
Penmans	.75	Nov. 15	Oct. 15
Do., 6%	1.50	Nov. 1	Oct. 1
Perron Gold	.02	Sept. 30	Aug. 31
Power Corp., 1st p.	‡1.50	Oct. 15	Sept. 20
Do., 2nd pfd.	‡.75	Oct. 15	Sept. 20
Preston East Dome	.01¼	Oct. 15	Sept. 14
Regent Knit.	.25	Oct. 15	Sept. 15
Reg't Knit $1.60 p.	.40	Dec. 2	Nov. 2
Renfrew Textiles	*.15	Oct. 1	Sept. 9
Riverside Silk M.	.50	Oct. 1	Sejt. 13
P. L. Robertson	.50	Oct. 1	Sept. 20
Do., $2.50 pf.	.62½	Oct. 1	Sept. 20
Robinson Cott.	.10	Nov. 1	Oct. 1
Russell Ind.	.10	Sept. 30	Sept. 12
Do., 7% pref.	1.75	Sept. 30	Sept. 12
Saguenay Pr.	1.07	Oct. 1	Sept. 13
Second Stand. Roy.	1c.	Oct. 1	Sept. 10
Sher.-Williams	.15	Nov. 1	Oct. 10
Do., 7% pf.	1.75	Oct. 1	Sept. 11
Sicks Brew.	.15	Sept. 30	Aug. 30
Silverwood Dairies	.30	Oct. 1	Aug. 31
Do., pf.	.20	Oct. 1	Aug. 31
Silverwood W. D.	1.25	Oct. 1	Aug. 31
St. Lawrence Corp. 4% pf.	‡.25	Oct. 15	Sept. 23
St. Lawrence Pap. 6% pf.	‡.75+1.50	Oct. 15	Sept. 23
Howard Smith	.25	Oct. 30	Sept. 30
Do., $2 pf.	.50	Oct. 30	Sept. 30
Sou. Can. Pr. 6% p.	‡1.50	Oct. 15	Sept. 20
Stanley Brock A	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stan. Paving pfd.	.31¼	Oct. 1	Sept. 3
Stand. Radio	.10	Oct. 10	Sept. 21
Sun Life	3.75	Oct. 1	Sept. 12
Stedman Bros.	.15	Oct. 1	Sept. 14
Sylvanite	.03	Oct. 1	Aug. 16
Tamblyn Ltd.	.20+.05	Oct. 1	Sept. 13
Do., 4% pfd.	.50	Oct. 1	Sept. 13
Teck-Hughes	.05	Oct. 1	Aug. 26
Thrift Stores	.20	Oct. 1	Sept. 16
Tip Top Tailors	.07½	Oct. 1	Sept. 3
Tooke Bros.	.25	Oct. 3	Sept. 16
Toronto Gen. Tr.	1.50	Oct. 1	Sept. 6
Toronto Iron Wks.	.15	Oct. 1	Sept. 13
Do.	.15	Oct. 1	Sept. 13
Tuckett Tob. 7%	1.75	Oct. 15	Sept. 30
Twin City R. T.	.62½	Oct. 1	Sept. 23
Unit. Fuel 6% A p.	.75	Oct. 1	Sept. 10
Viau Ltd.	1.25	Oct. 1	Sept. 20
Wabasso Cotton	1.00	Oct. 1	Sept. 14
Wright-Hargreaves	.05	Oct. 1	Aug. 22
W. Kootenay P. & L. Co. 7% pf.	1.75	Oct. 1	Sept. 17
West. Brew.	.30+.40	Oct. 15	Sept. 30
Western Groc.	.37½	Oct. 15	Sept. 13
Do., 7% pf.	.35	Oct. 15	Sept. 13
Weston Ltd.	.20	Oct. 1	Sept. 3
Wilsil Ltd.	.25	Oct. 1	Sept. 9
Woods Manufact.	.50	Sept. 30	Aug. 1

*Initial.
†N. funds.
▲For period June 1-Sept. 30.
‡Sub. appr. F.E.C.B.
▲Participating dividend.
♦Net pay. after deducting corp. inc. tax.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Sept. 17, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen.H.B.R.	5	'59	52	55	53
†Assoc. Tel. & T.	5½	'55	104	106½	104½
B. C. Pwr.	4½	'60	102	104	102
Do.	4	'65	102	104	102
†Calgary Pwr.	5	'60	102	...	103
♦Do.	5	'64	102½	...	103
♦Gatineau Pr. A	3½	'70	104	106	103½
*Do., B	3	'70	101	...	101
Gt. Lakes Pr.	4½	'56	102	104½	102
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	96	99	98½
L. St. Law. Pr.	3½	'65	102½	104½	102
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'63	102	104	101½
Do.	3½	'73	100	102	100
†Mtl. Tramways	5	'51	102½	104½	102
†Do.	5	'55	100	102½	100
Nat. Lt. & Pwr.	4½	'61	102½	...	102
Otta. L. H. & P.	4	'57	102	104	101½
Ottawa V. Pwr.	5	'59	102	...	102
Do.	4	'64	105½	...	105½
†Power Corp.	4½	'59	105	...	105
Quebec Pwr.	3	'62	99½	101½	100
St. Maurice Pr.	3½	'70	102	104	102
†Shaw. W. & Pr.	3	'71	99½	101½	100
Do.	4	'69	104	106	103½
Union Gas	4½	'50	100	102½	100½
†United Secs.	3	'52	99	102	99
Wpg. El.	3½	'71	102	104	102
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'65	99½	101	99½
Acadia-Atlantic Sugar	3½	'65	102½	...	102
Algoma Steel	5	'48	101	...	101
Aluminum Co.	3½	'74	106	...	106
†B. C. P. & Pap.	5	'50	100½	...	100
†Do.	7	'50	100½	103	100
Brown Co.	5	'59	98½	101	99½
Burns & Co.	4	'63	100½	103	101
Can. Celanese	3½	'59	102	...	102
Can. Cement	4½	'51	100½	...	100½
Can. Electric	4½	'65	101	...	101
Can. Steamship	3½	'57	101½	103½	102
Can. W. Lum.	4	'62	102	104½	102
C. P. R.	3½	'51	104	...	104
Do.	4	'49	104	...	105
C. P. R.	4	Perp.	105	...	104
†Consol. Paper	5½	'61	100½	102½	100½
Dom. Coal	4½	'52	100½	103	100½
Dom. Scot. Inv.	4	'52	100½	...	100½
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	103½	...	103½
Dom. Woollens	5	'64	102	104½	102
†Donnacona Pa.	4½	'58	100	102	99½
Dryden Pap.	4	'61	101½	...	101
†Federal Grain	4	'64	102½	104½	102
Gurney Fdry.	5½	'49	100	103	100
†Gypsum Lime	5½	'48	100	...	99½
Ham. Cotton	3½	'59	100	...	100
Imperial Tob.	2¾	'66	100	...	100
Inter-City Bak.	5½	'48	100	...	100
Indust. Accept.	3½	'66	100	...	100½
Ins. Ex. Bldg.	5	'51	99	102	99
*Inv. Bd. & Sh.	5	'47	95	98	94
Lake St. J. P.	5½	'61	102	104½	102
Do.	5	'61	101½	104	101½
Legare	6	'61	100	...	100
MacMillan (H.R.) Export	4	'65	102	...	102
Maple L. M.	3½	'63	102½	104½	102½
Man. Sugar	5	'60	102½	...	102½
Massey-Harris	3	'66	99	101½	99
McColl-Fron.	3	'71	100	102½	100
McCormicks	4	'52	100½	...	101½
Mercury Mills	4	'59	101	...	101
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	95½	98½	95½
N. S. Stl. Coal	3½	'63	98½	101	98½
Price Bros.	3½	'66	102½	104½	102½
Silv. Dairies	4	'60-64	101	103	101
Do.	4	'71	99½	103	99½
Simpsons Ltd.	3½	'60	102½	105	102½
Toronto Elevat.	3½	'66	101	...	101
United Corp.	4	'58	101	...	101
†Western Grain	5	'63	98	101	98
York Kt. Mills	3½	'71	99	102	90

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
‡Payable in U. S.
♦Payable in Canada only.
▲Payable in Can. or U. K.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Beauharnois L. H. & P.	4½%	1963	Sept. 3	103
‡B. A. Oil	2½-3½%	1946-48	Sept. 3	100½
‡Do.	3%	1949	Sept. 3	102
‡Do.	3¼%	1948	Sept. 3	100½
‡Do.	3¼%	1953	Sept. 3	101
‡Do.	2½-3½%	1953	Sept. 3	100½
‡Do.	2-3½%	1955	Sept. 1	100½
‡B. C. Peat	6%	1947	Oct. 1	100
‡E. Kootenay Pwr. A & B	7%	1952	Oct. 1	100
‡Gt. Br. & Can. Inv.	4½%	1959	Oct. 1	105
‡Gt. Lakes Pap.	5%	1955	Oct. 1	102
‡Ind. Accept., A	4%	1952	Nov. 1	101
‡Man. Sugar	5%	1960	Oct. 1	103
Maritime Elec.	5½%	1956	Oct. 1	101½
Do.	4½%	1956	Oct. 1	101½
‡McColl-Fr. Oil A	4½%	1949	Oct. 1	101
Mtl. Island Pr. A	5½%	1957	Nov. 1	102
‡Penmans	5½%	1951	Nov. 1	105
‡Prov. Paper A	5½%	1947	Nov. 1	100
Queens Hotel	5%	1953	Nov. 1	100
‡Royal Ex. Bldg.	7%	1938	Oct. 1	100
‡Viceroy Mfg.	3½%	1947	Nov. 1	100½
‡Do.	3½%	1948	Nov. 1	100½
‡Do.	3½%	1949	Nov. 1	100½
‡Do.	3½%	1950	Nov. 1	101
‡Do.	3½%	1951	Nov. 1	101½
‡Do.	3½%	1956	Nov. 1	101½
‡Do.	4½%	1956	Nov. 1	100
Windsor Gas	5%	1966	Nov. 1	100
‡Gypsum Lime & A. 1st mtge. ser. A	5½%	1948	Nov. 15	100½
‡N. Amer. Elevators 1st mtge.	6½%	1950	Jan. 1	101

‡All outstanding.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.34	$12.38	$11.19
Hogs	20.18	21.35	18.06
Copper, lb.	*.14⅛	.14⅛	.12
Sugar, raw, lb.	*.04205	.04205	.04205
Coffee, lb.	.17695	.17695	.09¾
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	122.0	128.2	105.0
Dow Jones	123.73	122.41	96.84
Fishers	131.1	133.0	114.6
Monthly Indices			
Retail (July)	125.1	123.8	120.3
W'sale (June)	128.3	124.4	102.5
U. S. (May)	111.0	110.2	106.0
Gt. Brit. (Apr.)	172.5	171.9	167.7

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lbs. top price, Toronto. Copper - electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Company Meetings

1946	Company	Place
Sept. 17	Silverwood W. Dairies	London
Sept. 17	D. A. Stuart Oil	Toronto
Sept. 17	Yellowknife G.	Toronto
Sept. 19	Loblaw Groceterias	Toronto
Sept. 19	Celan. Corp. of Am.	New York
Sept. 20	Godfrey Realty	Montreal
Sept. 20	Walker-Good. & W.	Walkerville
Sept. 23	Kerr Lake M.	New York
Sept. 27	Power Corp. of Can.	Montreal
Sept. 30	Paymaster Cons.	So. Porcupine
Oct. 4	Jones Bros. of Can.	Toronto
Oct. 9	So. Amer. Gold & P.	New York
Oct. 29	Calgary & Edm.	Winnipeg

Municipal Bonds

Sept. 17, 1946

	%	Due	Bid	Ask.	Yld.
Halifax	3½	1965	107¼	108¾	2.90
Hamilton	5	1950	109	109	2.25
Montreal	3	1950	100	101	2.77
Ottawa	3	1953	105¼	106¾	2.85
Quebec	3	1964	100	102	
†Quebec	5	1959	119	...	
Saint John	4	1950	107½	109½	2.86
†Toronto	4½	1955	116	...	
†Vancouver	5	1970	131	...	
Winnipeg	6	1950	112	114	2.25

†Payable Canada and New York.

Investment Trusts

	Bid	Asked
Affiliated Funds	5.65	6.18
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.60	5.15
Can. Invest. Corp.	8.25	9.25
Commonwealth Int.	3.52	3.87
Corporate Inv.	9.40	10.10
Trans-Canada (A)	13.95	....
Do. (B)	....	13.00

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 239

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st October, 1946, and that the same will be payable at the Bank and its Branches on and after FRIDAY, the FIRST day of NOVEMBER next, to Shareholders of record at the close of business on 30th September, 1946. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 13th September, 1946.

THE DOMINION BANK

DIVIDEND No. 256

Notice is hereby given that a dividend of two and one-half percent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st October, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Friday, the first day of November, 1946, to shareholders of record of the 15th October, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 12th September, 1946.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after 1st October 1946 to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board,

P. SIMMONDS,
Manager.

5th September 1946.

MERCURY MILLS LIMITED

Dividend Notice

Notice is hereby given that the Directors of Mercury Mills Limited declared a regular quarterly dividend of twenty-five cents per share on the paid-up common no par value shares of the Company for the quarter ending September 30th, 1946, payable November 1st, 1946, to shareholders of record at the close of business October 15th, 1946.

By Order of the Board.

A. G. HOWEY,
Sec.-Treasurer.

Dated at Hamilton, Sept. 9, 1946.

The Mount Royal Hotel Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of Thirty-Five Cents (.35c) per share has been declared on the No Par Value Shares of the Capital Stock of the Company. This dividend is payable in Canadian Funds September 30th, 1946, to Shareholders of record at the close of business on the 16th day of September, 1946.

J. A. SHINK,
Secretary

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Stock Dividend No. 1

NOTICE IS HEREBY GIVEN that a Dividend of $.85 per share being at the rate of 4 per cent. per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company for the period July 15th, 1946, to September 30th, 1946, payable October 19th, 1946, to shareholders of record at the close of business September 30th, 1946.

By Order of the Board.

FRED HUNT,
Secretary.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

Dominion

Dominion of Canada Deposit Certificates—½%, due March 4, 1947, $75,000,000. Dated Sept. 3, 1946. Sold at $100 to chartered banks.

Municipal

Twp. of Nepean, Ont.—4½%, due March 1, 1960, $17,425. Dated March 7, 1946, at $111.58, cost basis 2.82%. Sold to Bank of Nova Scotia.

Town of Trenton, Ont.—2½%, due May 22, 1947-56, $100,000. Dated April 29, 1946, at $100.41, cost basis 2.42%. Sold to Anderson & Co.

Town of Arnprior, Ont.—4%, due April 1, 1947-61, $1,637. Dated June 5, 1946, at $103, cost basis 3.75%. Sold to Royal Bank of Canada.

Edmonton Public Schools—2%, due July 25, 1947-56, $175,000. Dated June 7, 1946, at $100.16. Sold to Royal Securities.

Town of Waterloo, Ont.—2% and 2½%, due Sept. 1, 1947-61, $68,000. Dated Aug. 30, 1946, at $101.98. Sold to Bank of Toronto.

Twp. of Barton, Ont.—3%, due 1947-66, $21,000, dated Sept. 2, 1946, at $101, cost basis 2.89%. Sold to Wood, Gundy & Co.

City of Granby, Que.—2½%, due July 1, 1947-66, $240,000. Dated Sept. 3, 1946, at $98.84. Sold to Nesbitt, Thompson & Co. and Royal Bank of Canada.

City of Halifax, N.S.—2%, 2½% and 3%, due Sept. 1, 1947-66, $1,050,000. Dated Sept. 3, 1946, at $99.832. Sold to Dominion Securities.

City of Joliette, Que.—2½%, due Aug. 1, 1947-66, $108,000. Dated Sept. 3, 1946, at $99.25, cost basis 2.577%. Sold to Caisse Regionale Desjardins de Joliette.

Town of Richmond, Que.—3%, due 1948-65, $18,000. Dated Sept. 3, 1946, at $101.25, cost basis 2.87%. Sold to The Wales Home.

Village of St. George West, Que.—3%, due Sept. 1, 1947-75, $70,000. Dated Sept. 5, 1946, at $101.01, cost basis 2.9185%. Sold to Grenier, Ruel & Co.

Corporate

Penmans—3¼%, due Oct. 1, 1966, $1,500,000. Dated Oct. 1, 1946, at $102 and accrued interest. Sold to Kerrigan, MacTier & Co.

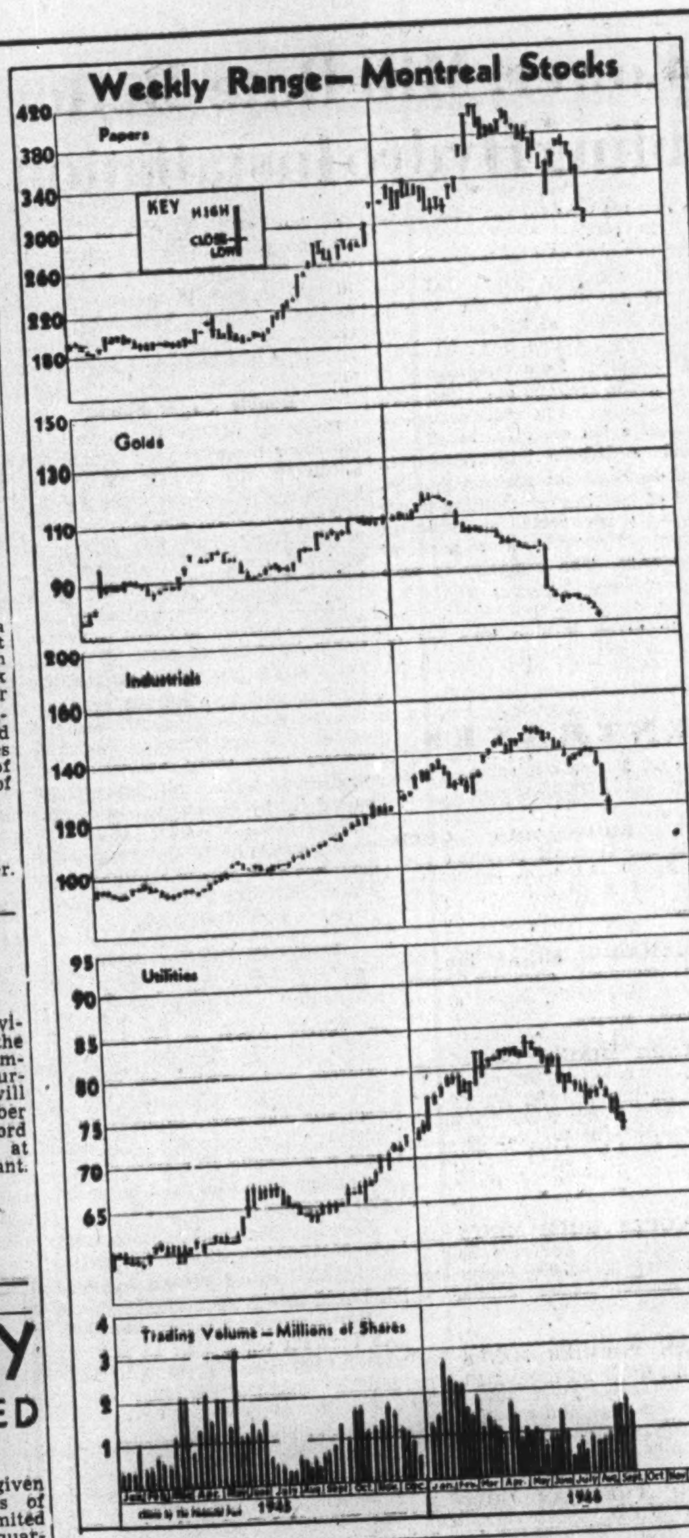
Great Britain & Canada Investment—4%, 7 years, $2,500,000. Dated Sept. 1, 1946, at $106.27, to yield 3%. Sold privately.

United Grain Growers—3%, due July 2, 1947-56, $2,000,000. Dated Sept. 5, 1946. Sold privately to banks.

Canada Machinery—3% serial bonds, $200,000. Dated July, 1946. Sold privately.

Common Stocks

Fleet Manufacturing and Aircraft—120,000 common shares (no par value) at $3.25 per share. Offered by Harrison & Co.



DIVIDEND NOTICES

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 308

Notice is hereby given that a Dividend of thirty cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of October 16th, 1946, and that the same will be payable on and after Friday, the first day of November next, at any of the offices of the Bank in Canada.

By order of the Board.

H. L. ENMAN,
General Manager.

Halifax, N.S., September 10th, 1946.

Dominion Coal Company Limited

DIVIDEND NOTICE

Notice is hereby given that subject to obtaining the approval of the Foreign Exchange Control Board of Canada a dividend of 75 cents per share on the outstanding 6% Cumulative Sinking Fund Preferred Stock of this Company has been declared payable on 31st October, 1946, to shareholders of record at the close of business on 27th September, 1946, such dividend being the regular quarterly dividend of 37 cents per share for the quarterly period ending September 30th, 1946, plus a payment of 38 cents per share on account of arrears of accumulated dividends on such Preferred Stock.

BY ORDER OF THE BOARD.

R. C. McDonald,
Secretary.

Montreal, P.Q.,
September 6th, 1946.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the one hundred and forty-first quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for the quarter ending August 31, 1946, on the Preferred Stock of the Company has been declared payable October 1, 1946, to Shareholders of record the 11th day of September, 1946.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
September 4, 1946.

ONTARIO BEAUTY SUPPLY COMPANY, LIMITED

DIVIDEND NO. 3

Notice is hereby given that a regular quarterly dividend of 25c per share has been declared on the outstanding PREFERRED shares of the Company, payable October 2nd to shareholders of record September 20th, 1946.

By Order of the Board.

W. H. DANIELL,
Secretary-Treasurer.

Brown Co. Moves Toward Refunding

MONTREAL (Staff)—Brown Co. preferred and common certificate shareholders this week approved continuation of the voting trust agreement until Oct. 1, 1951. This action clears the way toward refunding the company's debt to RFC on more favorable terms and will enable the company to obtain funds for planned improvements at Berlin, New Hampshire, including a new sulphate pulp mill and increased paper towel producing facilities.

Arrangements have been completed with institutions for a refunding serial bank loan of $1.5 millions, with interest at 2¾% maturing at $300,000 annually starting 1948, together with $4,750,000 principal amount of bonds bearing interest at 3¾% due in 1961, with a fixed sinking fund of $500,000 annually, commencing with 1953.

DIVIDEND NOTICES

Woods Manufacturing Company, Limited

Notice is hereby given that a quarterly dividend of Fifty Cents (50c) per share on the No Par Value Common Shares of the Company has been declared for the quarter ending September 30th, 1946, payable September 30th, 1946, to shareholders of record August 31st, 1946.

By Order of the Board.

R. M. STOTT,
Secretary.

Montreal, August 28th, 1946.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September 1946.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September 1946.

The above Dividends will be paid on Tuesday, the 15th day of October 1946 to shareholders of record at the close of business Friday, the 27th day of September1946.

By order of the Board.

F. N. Dundas
Secretary.

Montreal, 28th August 1946.

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Market Comment

No rally of convincing proportions developed during the past week on either the New York or Canadian stock markets. Most investors, thoroughly shaken by three successive selling waves in as many weeks, were determined to sit on the sidelines until a sizeable rally was indicated by all the signposts—even at the expense of missing the initial stages of the rally, if it materializes.

According to the Dow theory, increasing resistance to further price declines will be met within the limits of 168 and 137 on the industrial index—it closed at 173.66 on Tuesday, was as low as 171.76 at 1946's low last week. Within this area, support to prices tends to increase and a countermove, or rally of importance, sooner or later develops.

At any rate it is obvious now that it is going to take something "pretty good" to dispel present market pessimism and get investors in a buying mood again.

Explanations of the market decline have boiled down largely to impairment of investment demand, thinness of the market itself, the disturbing international situation and the conviction of many investors that trade depression is in early prospects as a result of satisfaction of many accumulated consumer demands and the selfish activities of pressure groups. Recent market breaks were actually forecast, experts say, by the poor reception, or actual failure, of many new stock offerings in the United States.

Recent calmness of the London market would seem to suggest that reaction on this side of the Atlantic to world disturbances, was exaggerated. Again, the amount of available earnings suggests that the investment demand will reassert itself particularly at present more attractive price levels. Subject to shortage bottlenecks and the attitude of labor, the industrial outlook scarcely seems to justify the prevalent bearishness, many market experts state.

• • •

Barron's: The Trader (New York)

Unless the creditless financial segment of the economy, the stock market, is to be relieved in some way from the competition of expansion, or unless, by some such means as the elimination of double taxation on dividends, equities are to be made compellingly attractive media for large-scale investors, the convalescent stock market will have difficulty in regaining its former vigor.

• • •

New Highs and Lows

During the week ended Sept. 6 there were four new highs recorded among the "general" stocks traded on Canadian stock exchanges, and 102 new lows. In the mining group there were no new highs and 45 new lows. No new highs and six new lows were recorded in the oil stocks.

GENERAL

New Highs—1946

Legare
Lewis
Mod. Containers
Tooke Bros.

New Lows—1946

Abitibi $1.50 p.
Do., $2.50 pf.
Acadia Atlant. A
Acme Glove, new
Algoma Steel
Amalgamat. Elec.
Argus
Asbestos
Auto Fabric A
Do., B
Bathurst B
Bertram & Sons A
Brazilian
Biltmore Hats A
Brant. Cord.
B. A. Oil
B. C. Forest
B. C. Power B
B. C. Pulp & Pap.
Brown & Co.
Do., pf.
Burlington Steel
Can. Steamship
Can. Vinegars
Can. Car
Do., pf. A
Can. Dredge
Can. Celanese
Can. Food pf. A
Can. G. Invest.
Can. Ingersoll
C. P. R.
Cockshutt Plow
Com. Alcohol
Crows Nest Coal
Dom. Foundries
Dom. Scot. Inv.
Dom. Scot. Inv. pf.
East. Steel
Electrolux
Eddy Paper
Fanny Farmer
Fittings pf.
Ford Motor A
Fraser
G. MacKay
Gen. Bakeries
Grafton A
Gt. West Sadd.
Greening Wire
Gypsum Lime
Ham. Bridge
Ham. Cottons pf.
Harding Carpets
How. Smith pf.
Imp. Oil
Int. Metal
Int. Pete
Int. Utilities
Int. Hydro Elec.
Lewis
Lowneys
Massey-Harris
Do. pf.
Macabe A
Do., pf.
Melchers pf.
Mitchell, Robt.
Mtl. Loco.
Moore Corp.
Mt. Royal Rice
National Brew.
Do., pf.
Nat. Hosiery A
Nat. Sewer P. A
Nat. Steel Car
Nat. Trust
North Star Oil
Ogilvie Flour
Ont. Steel
Power Corp.
Pressed Metals
Price Bros.
Do., pref.
Powell R.
Quebec Pulp, pf.
Russell Ind.
Scythes
Silverwoods
St. Law. Corp.
Do., A
South. C. Power c.
Standard Chem. n.
Do., rights
Standard P. & M.
Do., pf.
Steel of Can.
Do., pf.
Southam
Weston, Geo.
Wilsils
Winnipeg El.

MINING

New Lows—1946

Anglo-Rouyn
Arno
Belleterre
Bulolo
Campbell R. L.
Castle Treth.
Chromium
Cortez
Dome
Elder, new
Falconbridge
Gillies Lake
Goldbeam
Gold Lake
Hollinger
Inspiration
Jack Lake
Jack Waite
Kenville
Lake Fortune
Lake Rowan
Lake Shore
Little L.L.
Macfie
McIntyre
Moneta
Mylamaque
Nechi Cons.
Noranda
Nor. Canada
Normandy
Parbec
Pato Cons.
Pend Oreille
Pioneer Gold
Premier G.
Ryanor
Santiago
Sheep Creek
Stadacona new
Steep Rock
Surf Inlet
Thompson
Ventures
Wright-Har.

OILS

New Lows—1946

Anglo-Can.
East Crest
Home
Marvel
Roxana
Royalite

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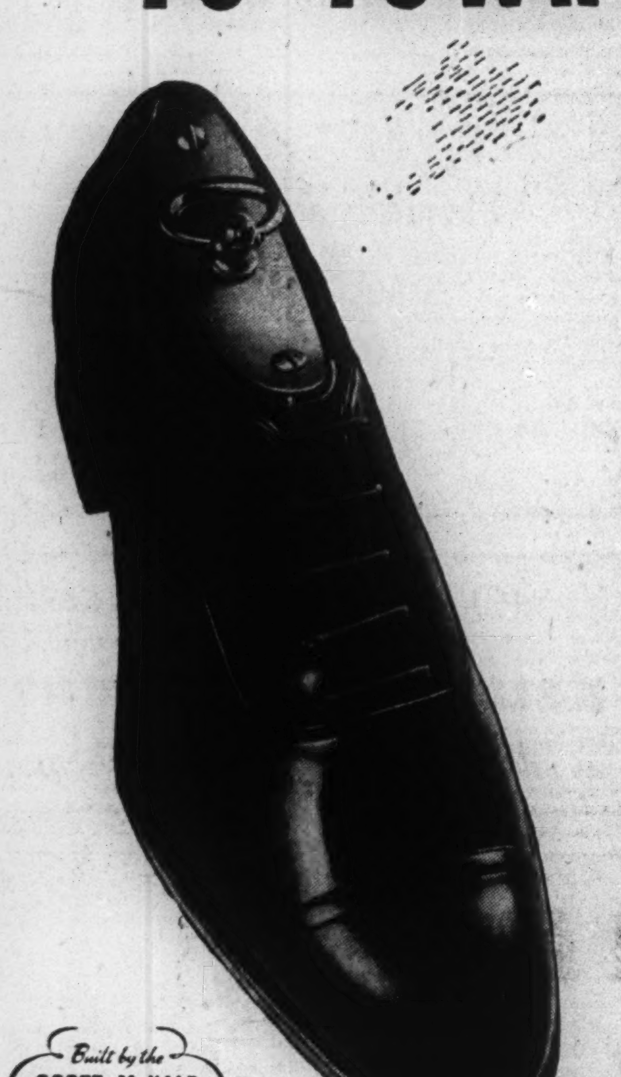
BACK TO TOWN



Built by the SCOTT-McHALE Craftsmen

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La Luz Costs Lower, Mill Rate Better Work on Doubling Hydro Installation

By GORDON M. GRANT

A Canadian gold mining operation in Nicaragua is far better off today than most gold mines in this country. It has not been affected by the reduction in the Canadian price for gold from $38.50 to $35, save for a drop in the price of its shares.

Controlled by Ventures Ltd., which owns 82.6% of its issued shares, La Luz Mines has escaped most of the vicissitudes which have recently beset our domestic gold mines, according to President G. W. Tower of New York, who recently returned from a trip to Nicaragua.

There is a full crew at La Luz and the supply of labor is plentiful for proposed operations. The company has been able to treat 1,400 tons of ore daily recently, against an average of 1,172 tons for the year ended Sept. 30, 1945.

While profit will be lower for the current company year (net was $145,330 for the first six months, against $468,413 or 32 cents a share for the year ended Sept. 30, 1945) this resulted from treatment of lower grade ore, and operating costs have actually been reduced, reaching $3.25 a ton recently. Mr. Tower reports a definite improvement in mine development position and instead of treating ore running under $5 a ton, it is expected that efficient mining will provide an ore grade of about $5.25. The company is well fixed for ore, reserves being increased following the end of the war to seven million tons (as of last June) averaging $4.85 a ton. In addition to this reserve of positive and possible ore — enough for 10 years' operations—there is possibly 10 million tons of material in the footwall which approaches ore grade, and which present plans may permit to be treated at a profit later on.

Double Power Supply

Doubling of the hydro installation over the next year is expected to break the company's present bottleneck — power. During the dry season, power shortage has been particularly troublesome. The present mill could treat around 1,600 tons daily if power were available.

Completion of new hydro installations is expected to result in appreciable lowering of costs. Not only will a larger tonnage be reflected in a lower unit cost but the company will be able to eliminate entirely use of high cost Diesel power. The present mill could be easily expanded to treat well above 1,600 tons daily by installation of an additional Symons cone crusher, further flotation cells, etc. The company has been able to continue shaft sinking while the mine has been placed in better condition.

Inventory Position Strong

So far the company has been practically unaffected by increase in supply costs, it is reported. Earlier this year, the company's inventory was boosted to $950,000. The company is well stocked to meet any shortages. In an outlying location, the company naturally feels it desirable to maintain more adequate inventories than "close in" gold producers.

Working capital at Sept. 30, 1945, was $2,777,094 or close to $2 a share on 1,449,562 issued shares. Included in liquid assets were 310,600 shares of Frobisher carried at cost of $346,539 (current value over $1 million) and 164,560 shares of Eureka Corp. costing $185,315 (market value about $375,000). Taking these securities at market, rather than cost, and allowing for operating profits realized this year, working capital at present may be around $3 a share, The Financial Post estimates. This excludes value placed on broken ore and a substantial interest in Panaminas Inc.

Earlier this year, shares of La Luz sold up to $8. Since the drop in the Canadian price of gold to $35 — which did not affect La Luz — and since the break in the New York market, the company's shares have sold down to $4.50. Taking $3 working capital off a price of $4.50 leaves only a $1.50 value placed on the mine, and the mine earned an operating profit of $450,338, or 31 cents a share in the six months ended Mar. 31, 1946.

MINING CONCENTRATES

BUFFADISON GOLD MINES has received payment on 200,000 shares at 50 cents. Issued capital — 2,529,005 shares.

• • •

BUFFALO RED LAKE MINES advises that Sept. 1 option installment of $20,000, covering 50,000 shares and each subsequent installment, has been extended for three months.

• • •

CROWSHORE PATRICIA GOLD MINES reports Oct. 16, 1946, and Jan. 16, 1947, option installments, extended so that they become exercisable as follows: 100,000 shares at 75 cents by Dec. 9, 1946, and 100,000 shares at $1 a share by Mar. 9, 1947.

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CENTREMAQUE GOLD MINES advises that Oct. 24 and Apr. 24 option installments have been extended for three months.

• • •

CLAREMONT MINES plans to resume development, including diamond drilling and underground work, on its seven claims in Clericy twp., Que. A three-compartment shaft was sunk to 265 ft. and levels were established at 125 and 250 ft. in earlier work. Directors comprise: C. T. Bischoff, John H. Kroeger, C. W. Willoughby, Irving R. Picard, Rene Chenevert.

• • •

CHIBOU-WICA GOLDFIELDS surface prospecting of No. 6 property in Opawica Lake section has disclosed numerous mineralized bands. Grab and channel samples taken at two different points on the acreage returned values ranging from trace to several ounces. Diamond drilling is planned.

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DISCOVERY YELLOWKNIFE MINES has received payment on 100,000 shares at 40 cents and 100,000 at 50 cents a share. Issued capital—2,476,789 shares.

• • •

DOME MINES has declared a dividend of 27½ cents a share, payable Oct. 30 to shareholders of record Sept. 30. This represents a reduction from previous quarterly rate of 30 cents in effect from Oct. 30, 1944.

• • •

EASTVILLE GOLD MINES CO. trenching of a zone in central part of property has returned channel sample of $10.20 across 2½ ft. The vein was located in the contact of a quartz porphyry dyke. Another section, 100 ft. southwest of the above in sheared material, is reported to have returned $28.50 across 6 ft. Diamond drilling is being conducted.

• • •

EAST SULLIVAN MINES main shaft has been deepened to 101 ft. Two compressors have been installed, and with two hoisting units placed in operation, this completes mining plant installation.

• • •

PARBEC MALARTIC GOLD MINES advises that an additional 50,000 shares were taken up last April at 17½ cents, notice of which was not furnished at the time. Issued capital — 2,250,005 shares.

• • •

GOLDORA MINES completed a cross-section of the Valdora shearing in eastern part of property through drilling of hole 69. Principal intersection consisted of a 3-ft. shear containing quartz and mineralized with pyrite and chalcopyrite. A 1-ft. section of the above assayed $1.75 gold and 1.2% copper.

• • •

GIANT YELLOWKNIFE GOLD MINES advises that an additional 527 shares have been issued under offering D rights to shareholders, thereby increasing outstanding shares to 3,783,110.

• • •

HEBACOURT PROSPECTING & MINING SYND. reports that Frank Corrigan, field manager, is supervising trenching and stripping of its property in Hebacourt twp., Que.

• • •

HEVA GOLD MINES reports that 275-ft. level station has been completed with ore pockets and sinking resumed. Second level station is to be established at 400 ft.

• • •

JACK LAKE MINES reports an additional 10,000 shares have been taken up at 25 cents. Issued capital—2,502,107 shares.

• • •

JASPER PORCUPINE MINES reports that drill hole 23A returned 337 ft. of carbonates showing gold over widths of 5, 10, 15 and up to 35 ft. Two sections of commercial values were reported across 5 ft. and a 4 ft. width.

• • •

LAKE RIDGE MINES surface samples along 200 ft. of Nigger vein has returned high assays, M. M. Hardy, secretary, states. Results of diamond drilling are expected to be released soon.

• • •

MACDONALD MINES advises that on Sept. 3, 40% of 665,394 shares of pooled stock was released from escrow. Balance of escrowed stock will be released in three allotments of 20% each, on Oct. 1, Nov. 1 and Dec. 1.

• • •

NORBENITE MALARTIC MINES has received payment covering Sept. 1 installment of $5,000 for 14,285 shares at 35 cents a share. Issued capital — 2,747,623 shares.

• • •

NEW BIDLAMAQUE GOLD MINES has received payment covering 50,000 shares at 50 cents a share. Issued capital — 2,550,005 shares.

• • •

PARAMAQUE MINES has received payment covering 39,000 shares at 12½ cents. Issued capital —2,115,705 shares.

• • •

RYANOR MINING CO. advises that just before date of listing shares on the exchange, a further 21,000 shares were taken up under rights to shareholders, at 30 cents a share. Issued capital — 1,978,150 shares.

• • •

REGCOURT GOLD MINES has received payment covering Sept. 1 underwriting of $20,000, comprising 57,143 shares. Issued capital — 2,248,570 shares.

• • •

SILBAK PREMIER MINES has passed the dividend usually paid in October. Reasons given were poor outcome this year, and the fact that operations were suspended due to strike action.

• • •

SOUTH AMERICAN GOLD & PLATINUM CO. reports consolidated net profit of $282,493 in six months ended June 30 ($62,019 same period of 1945). Production totalled 27,615 oz. of crude gold and 15,185 oz. crude platinum in 1946 period.

• • •

SHERRITT GORDON MINES reports that early this year, agreements were entered into with two prospectors to work under an agreement whereby they would receive an interest in any properties located. On May 14, 70,000 shares were allotted under the agreement, and on July 17, 2,500 shares of the allotted stock were issued to one prospector and balance of 67,500 have not yet been issued. On issue of complete allotment, issued capital will be 5,944,432 shares.

• • •

STARLIGHT MINES is considering plans to resume diamond drilling its Louvicourt twp., Que., property. Previous work indicated geology and values when drills were able to pierce the overburden. The new "mudpack" method of drilling is reported to have definitely solved this problem, and future drilling is expected to be effective and faster.

• • •

THOMPSON-LUNDMARK GOLD MINES has been testing northerly extension of Kim vein by diamond drilling. Considerable progress has been made in rehabilitation of buildings and plant, in preparation of resumption of production.

• • •

WESTVILLE MINES has acquired 23 claims tying on to its original group of claims in Villebon twp., Que. Over 20,000 ft. of diamond drilling has been completed testing out a break running through the centre of the claims. The first hole now drilling in new program has disclosed favorable geological conditions showing chalcopyrite mineralization.

MID-CONTINENT OIL & GAS CO. has received payment covering underwriting on 50,000 shares at 6 cents, together with a further 15,000 shares at 6 cents. Issued capital—3,815,005 shares.

PACALTA OILS CO., Sept. 6 option installment comprising 100,000 shares at 10 cents a share, has been extended for one month. Thereafter each installment will become exercisable at 60 days interval.

Eureka Corp.'s Shaft Is Down Over 1,200 ft.

The Fad shaft at the Nevada property of Eureka Corp. reached 1,208 ft. on Aug. 31, with a further 100 ft. of advance expected in September, The Financial Post is informed.

Sinking has been in poor ground, requiring frequent cementing, but the shaft is expected to pass soon into dolomite formation which will permit faster progress — about 150 ft. of advance monthly. If progress is up to expectations, the shaft may be completed to its 2,500-ft. objective about next July.

An extensive drilling program, now discontinued, outlined a rich faulted segment of the famous Richmond Eureka ore body at depth, and the Eureka mine is considered to possess further major production potentialities. Prices for lead, zinc and silver—the chief minerals present—are all much higher than when the original shaft decision was made, and prospect of profitable production is apparently considerably enhanced.

Ontario Gold Output Higher During July

Ontario gold production in July jumped 17% over the same month of 1945 but return of the Canadian dollar to par resulted in lowest recovery per ton since Dec., 1933. Bullion output was up $781,106 to $5,374,170 and average recovery was off 95 cents a ton to $8.59.

Bullion production from the 41 producing Ontario mines totalled $38,789,063 from 4,211,917 tons milled in the first seven months of 1946 ($34,036,288 from 3,541,448 tons, same period 1945).

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"Navigation Flight"—*After a painting by Donald Anderson, Official War Artist, R.C.A.F. War Records*

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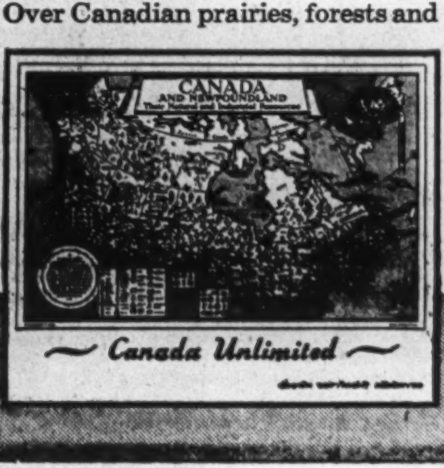

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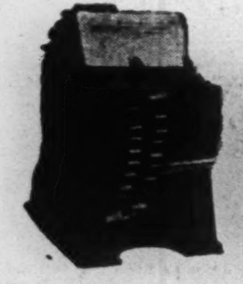

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Croinor Ore Drifted on Nearly 100 ft. Muck Samples Averaging $12 to Date

Fine grade ore continues to be opened up by Croinor Pershing Mines. Drifting so far shows a better grade than the average for surface drilling and work is continuing in ore to the east in a section where drilling had indicated the possibility of a blank.

A total of about 100 ft. of ore has been opened on the 250-ft. level so far (95 ft. late last week) and the average of all muck samples, even including the first ones which gave "kicks" of only 0.005 and 0.01 oz., works out at 0.34 oz. or $11.90 a ton. Samples taken from faces — not channel samples in the ordinary sense—have averaged 0.4 oz. gold or $14 a ton.

Ore About 6 ft. Wide

Average width of ore has been rather difficult to estimate although containing walls are well defined. The ore so far appears to be 6 ft. wide with a local north dip to the ore shoot of about 41 degrees. Dip of the dyke containing the ore shoot is about 55-60 degrees. The values occur in well-mineralized diorite.

Projecting the ore shoot up at 41 degrees, there remains about 20 ft. of further crosscutting to be completed at the 125-ft. level before work will be into ore at that horizon.

At the 250-ft. level, the main shaft crosscut was "branched" and the ore shoot was entered at two points. Drifting has now linked up the two ore sections, however, making the ore shoot continuous.

The shaft was put down north of the ore shoot in the plane of drill hole No. 37 which returned 0.273 oz. gold over 11.7 ft. This intersection was just above the 250-ft. horizon.

In the 500-ft. section to the west the following surface drilling intersections were secured: 0.874 oz. over 5.9 ft. in hole No. 38; 0.136 oz. over 24.2 ft. in hole No. 39; 0.07 oz. over 4.9 ft. in hole No. 40; and 0.17 oz. over 15.0 ft. in hole No. 41. Nothing much showed in surface drilling for the initial 300' ft. east of the shaft into which drifting is now working in ore values. Beyond that to the east again, surface work indicated a length of 500 ft. averaging $11.20 over 28 ft. and drilling gave some ore intersections.

After development is farther extended on present levels, consideration will likely be given to deepening the shaft from 275 ft. to 500 ft., possibly after the putting down of two or three deep holes to test conditions at depth. However, in a section about 500 ft. west of the original ore area is a further ore zone beyond those reported above and officials point out that eventually it may be found desirable to put down another new main shaft although the present shaft can be used for production.

An ore length of 400 ft. is indicated in the new section out to the west and some of the values secured in it have been impressive. In hole No. 66, for instance, values included 1.10 oz. over 3.7 ft., 0.73 oz. over 3.0 ft., 0.87 oz. over 3.0 ft. One adjacent hole gave 2.42 oz. over 3.0 ft.

To the east of this ore shoot, 10 drill holes which didn't go completely through the diorites are to be deepened on the chance that further ore deposition may have been missed.

Adequate finances are available in the company's treasury for a continuation of the present program. In 1945, 800,000 shares were sold under an offering of rights at 75 cents to place $600,000 in the treasury. Since then, expenditures have totalled in the neighborhood of $150,000 or more.

Authorized capital is three million shares with only 2,200,005 shares issued. The company hopes to be able to borrow "mill money" so that there will be no need to disturb the present issued capital.

Present work is being done with steam power but it is expected consideration will be given shortly to taking hydro power into the property. This would reduce operating costs and expedite the development program.

In early underground work, the company was handicapped by a water flow but this has been overcome and the company is now taking out three rounds regularly each day.

MINING INVESTMENTS

Can Immigration Solve Mine Labor Problem?

A manager of one of the largest gold mining companies a few months ago expressed the opinion to The Financial Post that the problem of securing an adequate labor supply for Canadian gold mines would not be solved until this country adopts a policy of selective immigration.

Since that time, gold mines have seen the flow of new manpower dwindle to a trickle and almost disappear. They are no longer securing men needed to return operations to normal. There is little in the way of improvement on the horizon.

In British Columbia, strikebound mines face demands for higher wages as well as effects of a continuing labor shortage.

• • •

This Would Help

Will the Dominion Government adopt an immigration policy which will provide some hope for gold mines which are already drastically hit by return of the Canadian price of gold to $35?

There has been an announcement recently that the Dominion plans to adopt a new immigration policy. There have been some tentative plans reported to bring 4,000 Polish soldiers to Canada.

An organization of the Canadian mining industry, the Canadian Congress of Mining, has now asked through its chairman that the Hon. J. Alison Glen, Minister of Mines & Resources, consider needs of the mines in formulating immigration policy.

States Gordon Jones, it chairman, in part:

"It is to be hoped that when the new postwar immigration policy of Canada is tabled that it will not have overlooked our former supply of European miners. You will recall that in the decades 1910-30, the Canadian mining industry obtained the bulk of its underground workers from Europe. They were English, Irish, Scots, Danes, Swedes, Norwegians, Finns, Poles, Czechs, Slovaks, Russians, Germans and Ukrainians, along with a few other Europeans in smaller numbers.

"The industry's experience with these immigrants was that they were good miners who welcomed the high scale of wages, the good working and living conditions, the healthy circumstances in which they worked and lived and the educational and vocational opportunities offered to their children. . . . The depression and later the war cut off this supply of new manpower for our mining expansion. The result is that in 16 years we have not been able to maintain or replenish our supply. Yet even in the United Kingdom where we usually exercise a preference in immigration matters, there are reputedly thousands of miners who would jump at the chance to come to Canadian mines."

A possible bottleneck with respect to introducing foreign miners to Canadian mines is housing. Housing is short at practically all the mines. But it is suggested that families could be accommodated in bunk houses for the time being.

• • •

Canadians Far Afield

Perhaps no country in the world today is as mine conscious as Canada. Canadians have been seeking mines up and down the American continent, in Africa, Australia, and, in fact, just about everywhere that mineral wealth can be expected and where development of mineral resources is permitted.

This week there was a new gold rush reported in California. And Canadians were reported taking part in it.

An estimated 1,000 autos were to be found on the main of Crescent City, California, about 10 to 20 miles south of the section for which the new strike was reported. First reports were sketchy—didn't mention who Canadians might be—but values from $18 to $75 a ton secured from samples were mentioned.

Perron Active In Exploring

Kenda Pershing Ground More Interesting With Croinor Results

While mine exploration has been on a lower scale in Quebec recently, Perron Gold Mines is continuing its efforts to find a new mine and work is proceeding on several properties.

For some time Perron has been financing work on the Kenda Pershing property which comprises a large acreage west of Croinor in Pershing twp. While no definite ore body has been established, drilling has recently indicated the favorable diorite dyke structures on the ground and there are considered to be very important untested possibilities.

Seventh Malartic, adjoining Malartic Gold Fields, is another company under the Perron wing. Surface drilling is being continued on this property to probe for the extension of the Malartic main shear.

Extensive drilling has been done on the property of Glenlivet Gold Mines adjoining Sigma Mines but this has not been successful in establishing definite ore structure.

Working capital at the beginning of the year was $775,000 and there were also $340,000 of advances to New Calumet Mines which are expected to be repaid shortly.

Operating profit for the first six months of 1946 totalled $116,467 of which $24,808 was realized in the second quarter. Production was $381,822 from 54,879 tons of ore milled during the period for an average recovery of $6.96 a ton. After allowing for estimated taxes and addition of other income, net profit for the first half is estimated at $86,000 or 4.3 cents a share.

Mine development has continued on a restricted scale owing to lack of underground labor. Production in the last half of the year will reflect the loss of premium and operating margin will be affected seriously, it is expected.

Surface drilling exploration is being done along the north shear zone and to the west. Underground development of this sector is planned when ample labor is available.

MINING CONCENTRATES

CATHROY LARDER MINE 519E drift to southeast on 500-ft. level has been extended a further 80 ft. in new area indicated by earlier diamond drilling. Heavy free gold mixed with sulphides was encountered in narrow shear planes.

• • •

INDYKE GOLD MINES announces that prospecting of property in Indin Lake, Yellowknife area, has located an acid flow yielding 1.4 oz., 2.36 oz. and 0.26 oz. gold from initial grab samples. Showings were secured from the zone which indicated widths of from 5 to 30 ft. Structure has been traced northward through Indian Lake Gold Mines, Hearne Yellowknife and Dyke Lake Gold Mines, a distance of approximately 8,000 ft. Further surface exploration is proceeding on Indyke to ascertain the importance of the discovery and plan a program for diamond drilling.

• • •

OBALSKI (1945) says that shaft at Cache Bay property is below second station with drifting to commence immediately on two levels. Exploration recently uncovered evidence of what may be the extension of the main mineralized zone or an entirely new zone about a mile to the east of underground workings. A drill is being sent to the property to test the new showing.

• • •

ROYBAR CHIBOUGAMAU MINES has completed over 4,000 ft. of drilling on the west group in Barlow twp., Que. Two series of holes have been drilled to test two known surface showings, about 7,500 ft. apart. No work has been done on intervening ground to test continuity or relationship of the two showings. In vicinity of west find, carbonated and mineralized zone was cut in two holes 100 ft. apart. One assay of $10.15 and lower assays to $2, were obtained over narrow widths within the zone. Three holes in vicinity of east showing disclosed a carbonated and sheared zone in greenstone. One assay of $7.35 and lower assays to $2.10 were obtained in these holes. Company also owns 44 claims in Roy twp., north of Portage Island holdings of Obalski (1945).

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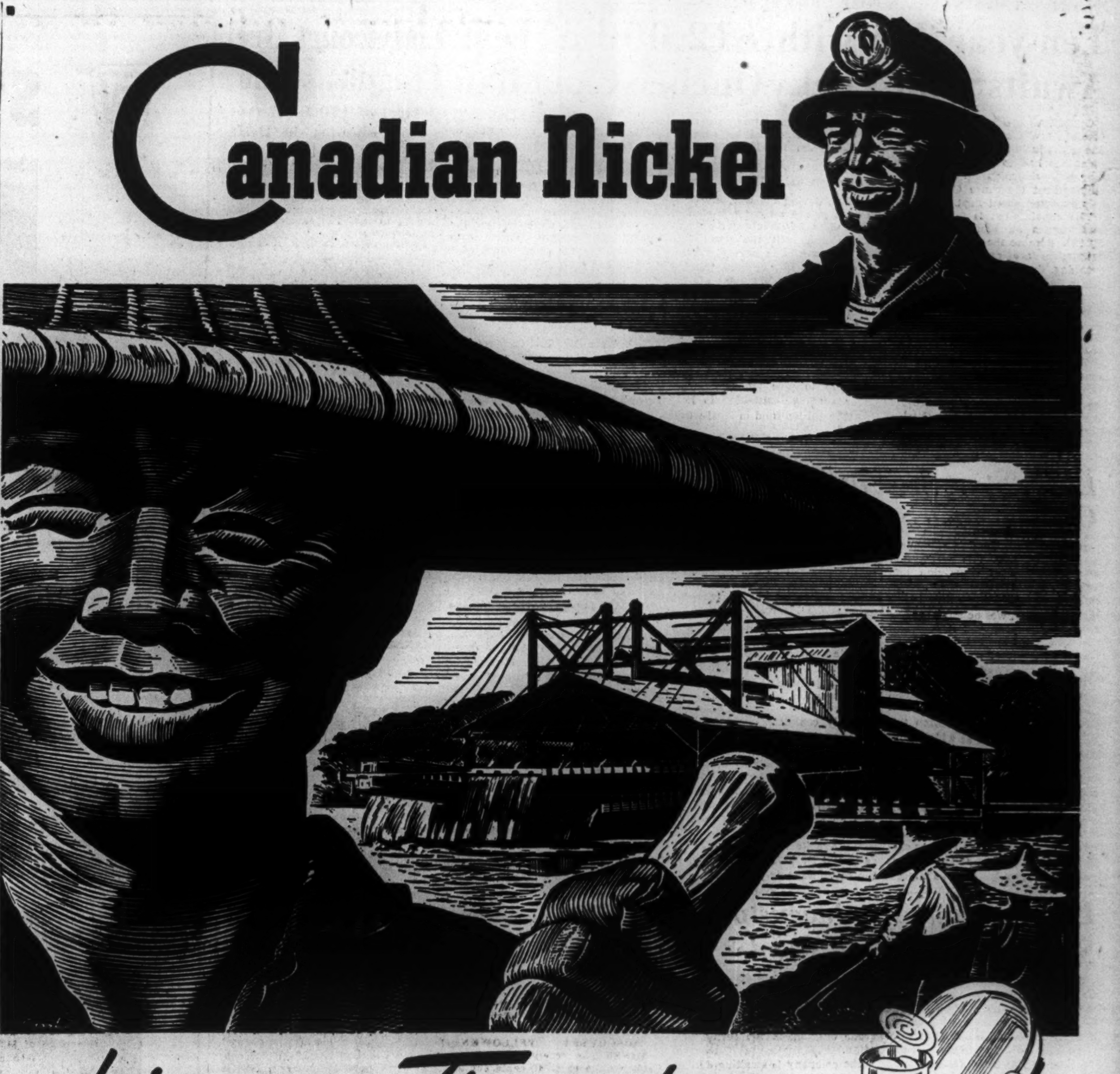

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Ten-year Job with $12,000 a Year Awaits Some Lucky Quebec-Canadian

OTTAWA (Staff)—A new, and possibly "political" appointment to one of the juciest plums the Government has had to offer in many a long day—chairmanship of the Unemployment Insurance Commission—is expected about Sept. 30.

The appointment is for 10 years and carries an annual salary of $12,000. Because the two other commissioners are presently English-speaking, the chairmanship must go (as in the past to a French-Canadian. Speaking of this matter recently, Labor Minister Humphrey Mitchell said: "There have been more applications for that chairmanship than for senatorships."

Since the untimely death of Dr. Joseph Sirois, first chairman of the Commission, the post has been held by Louis J. Trottier, Montreal. He drew his $12,000, but visited Ottawa (where the Commission's work is administered) only periodically. The real work was done by permanent officials here and by over-all direction from the Department of Labor.

Function Split, During War

In fact, during the war, the Government passed an order-in-council which virtually dissolved the Commission and split the work into various parts. For nearly a year, the chairman, Mr. Trottier, was the only functioning member of the Commission. The terms of both employer and employee representatives on the Commission had expired and both jobs were vacant. From a strictly legal point of view the Commission ceased to operate. A special order-in-council was necessary to give the Minister of Labor adequate authority to keep this $324 million fund in legal working order.

About this time, it was freely reported here that efforts were made to bring about the resignation of Mr. Trottier, thus paving the way for a reorganization of the entire Commission. It was also rumored that had Mr. Trottier resigned, his post would have been taken by Arthur MacNamara, deputy Minister of Labor and, since the war, the official most largely charged with responsibility for administering the Commission's affairs.

Resignation a Surprise

But Mr. Trottier outlasted his would-be "ousters." One by one, the vacant commissionerships were filled. Then Mr. Trottier's resignation landed like an atomic bomb on the Minister's desk in late July.

Meanwhile, on Oct. 1, new amendments to the Unemployment Insurance Act, passed by the last Parliament, will come into effect. Most important of these, from a practical point of view, is the addition of 4,000 to 5,000 seamen to the unemployment insurance rolls. The new regulations also give merchant marine personnel the same privileges as veterans. That means that a former member of the merchant marine now engaged in insurable employment, may take up benefits and rights, just as would any other veteran from the other services.

From the viewpoint of administration, the most important change in the Act is the transfer of the Employment Service to be the direct responsibility of the Minister of Labor, rather than of the Commission itself. This is in direct conflict with the original intention of the Act; but it merely perpetuates the modus operandi which the Government set up during the war, when the service was taken over by the Government as part of National Selective Service.

Louvicourt Ore Lengthens Out

Total of 170 ft. of Ore Now Showing in Drift on First Level

A length of 170 ft. of high-grade ore is now reported opened up by drifting at the 225-ft. level of Louvicourt Goldfield with the face continuing in ore, The Financial Post is informed.

From previous drilling, it is now thought that the shoot will continue eastward for a length of at least 600 ft. A slash at the face is stated to show an ore width of at least 13 ft.

Plan Flat Drilling

On the 375-ft. level, crosscuts have been started east and west in the footwall of the ore body to provide bases for diamond drill exploration by flat holes.

On the 525-ft. level, the first round south of the shaft showed a continuation of the ore encountered in the station for a further 7 ft. with the face in ore and greater width expected. This particular ore showing came into the shaft at 490 ft. and has dipped southward across it with greater depth. In the station it showed a width of 7 ft. and ran for a distance 40 ft. east and west in the station.

Upon completion of work in connection with the station, drifting eastward will be continued in the ore and crosscutting north to "B" zone carried out. Feeling at the moment is that the "B" vein and shaft ore bodies are separate occurrences, it is stated.

BELL TELEPHONE CO. OF CANADA advises that a further 609 shares of capital stock have been issued under the terms of the employees' stock plan. Issued capital up to and including Sept. 10., 1946, was 872,342 shares.

HEVA GOLD MINES has appointed Prudential Trust Co., Montreal, sub-transfer agents to act in exchanging shares of Heva Cadillac Gold Mines for shares of Heva Gold Mines.

Early Start Seen in Toronto On Big Nova Scotia Bank Job

Bank of Nova Scotia's announcement in Toronto this week that after 16 years of depression and war it will proceed with actual building of a 25-story office building in that city, was no news to most construction men. And it surprised few tenants of ancient buildings on the site, northeast corner Bay and King Streets.

Widely discussed in recent months without benefit of official admission has been the bank's decision to undertake progressive demolition this fall. And it has been as widely supposed that foundation operations for the new building would follow early in 1947 despite apparent traffic conflict offered by the parallel Bank of Montreal operation on the opposite corner of Toronto's "Wall Street."

The bank's statement that construction will start "as soon as materials are available and conditions permit" apparently confirms impressions the long delay is over. Most of the materials required are in fair supply and not being consumed in house building. As for steel, heavy shapes not rolled in Canada and to be imported, represent an important part of the total requirement; thus the current steel strike has relatively little bearing on the starting date. With regard to traffic conflict with the nearby Bank of Montreal building operation, it's believed steel erection on the latter will have been virtually completed before a similar operation is well under way on the Nova Scotia site; thus, that the supply-traffic problems of parallel construction can be worked out successfully as now planned.

Original designs prepared in 1929 by the late John M. Lyle are being extensively revised by Toronto Architects Mathers & Haldenby and Beck & Eadie. A general contract award is pending.

Development At Queenston Suggests Improved Grade

Since reopening of Queenston Gold Mines property in Gauthier twp., east Kirkland Lake area, a few weeks ago, raising and diamond drilling results at No. 2 shaft have surpassed all previous findings, President R. R. Brown informs The Financial Post.

Work being carried out on 125 and 250-ft. horizons under direction of Upper Canada Mines, largest individual shareholder, is confirming and extending ore disclosures made previous to mine closure in April, 1942. Values secured to date suggest a marked improvement over ore grade outlined in the earlier campaign.

The company is awaiting delivery of a 1,500-ft. air compressor before starting the dewatering of No. 3, or Anoki shaft, which was sunk some years ago to 750 ft. and five levels established. Tentative plans are to unwater this shaft and commence attacking the Queenston ground from the west. In the meantime, all buildings formerly associated with the Anoki workings are being rehabilitated.

To handle the development project, Queenston has approximately $400,000 in cash and Dominion of Canada bonds.

OIL PRODUCTION

Plans 2nd Test At West Taber

Representing their first drilling in the West Taber area since successful completion of their No. 65-15A well early in May, Standard Oil of British Columbia and Nassau Explorations have joined forces to drill a further well three-eighths of a mile southwest.

The No. 65-15A well is now flowing steadily, with a production of over 100 bbls. daily under back pressure. Output in August was 3,658 bbls. bringing output to date to some 15,606 bbls.

Since last May the companies have carried on a resurvey of their information on the area and a number of structure test holes were put down in this work.

• • •

Record Sask. Oil Flow

No. 6 well of the Lloydminster Gas Co. has set a new record for Saskatchewan, producing from 200 to 250 bbls. daily for 7½ days. The well blew in on Aug. 28, following gunperforation of the casing at a depth of between 1,845 and 1,850 ft., with initial flow estimated at 20 bbls. per hour.

Largest daily yield for wells on steady production has been recorded by the Van Lloyd No. 2, which has pumped about 140 bbls. per day since July 22.

• • •

McColl Holdings Extended

Three new crown reservations have been added by McColl-Frontenac Oil Co. to its holdings on the southeast Alberta plains, following the McColl-Union North Pinhorn gas discovery.

• • •

South Princess Syndicate No. 2 well is reported, in the day ended noon Sept. 11, to have a fluid recovery of 31.5 bbls. about half of which was oil and balance water and mud. The water is presumed to be input water and drilling mud, as it had no smell or salt sulphur taste.

In the succeeding 24 hours, there was a fluid recovery of 25.2 bbls., of which 56% was estimated to represent oil. Acidizing of the well is expected.

Aubelle Concentrates Mainly on No. 1 Vein

Approximately 25% of the 2,500 ft. of cross-cutting and drifting completed on three levels by Aubelle Mines has been in ore, J. H. Norris, consulting engineer, states. Work to date has been concentrated on No. 1 vein and nothing done on the No. 2 vein, lying 1,400 ft. to the south.

Additional veins are reported to exist between the Nos. 1 and 2 veins and also north of No. 1. These veins are to be investigated by a series of flat drill holes from underground workings. Immediate development is to be concentrated on the two lower horizons.

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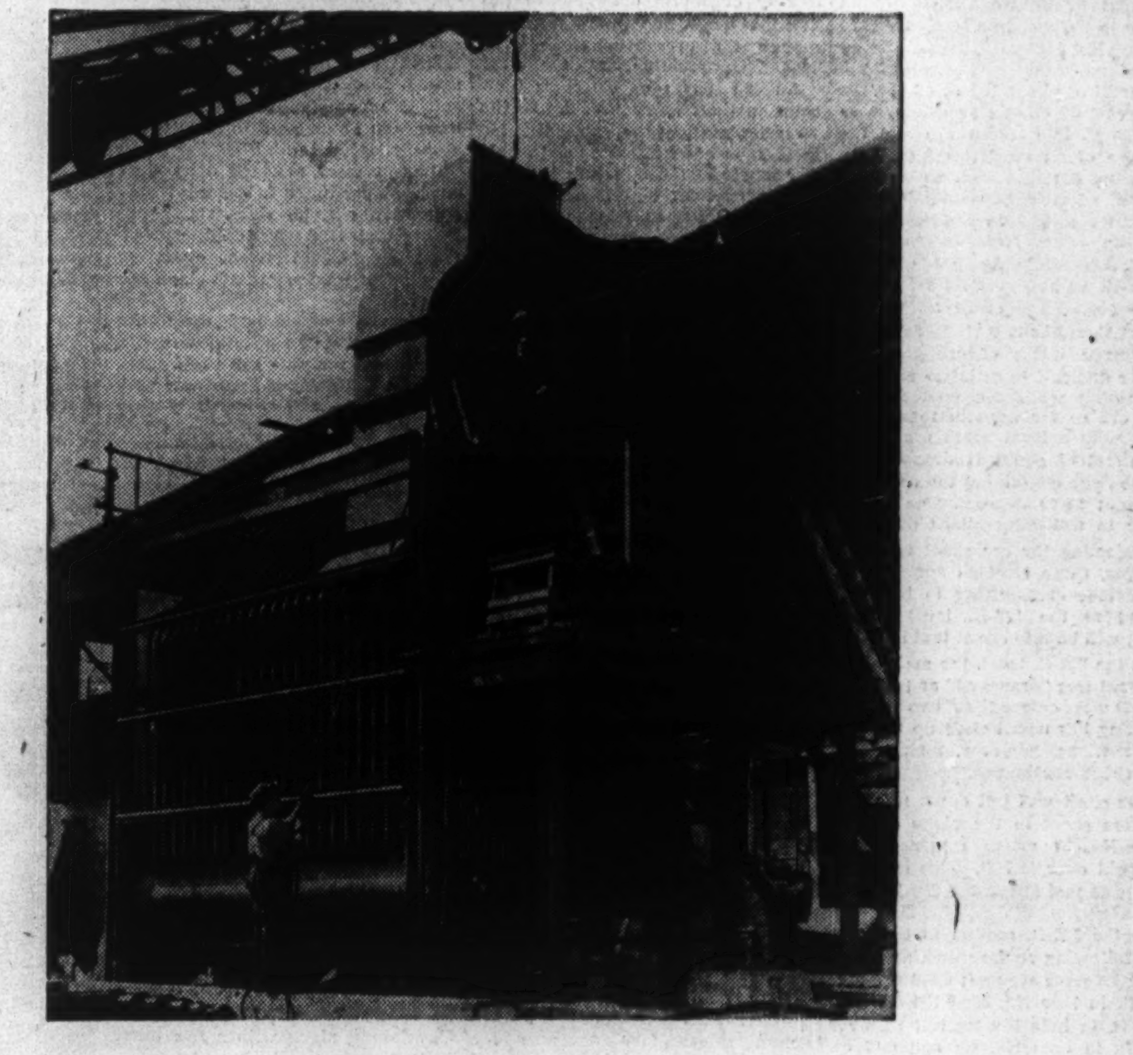

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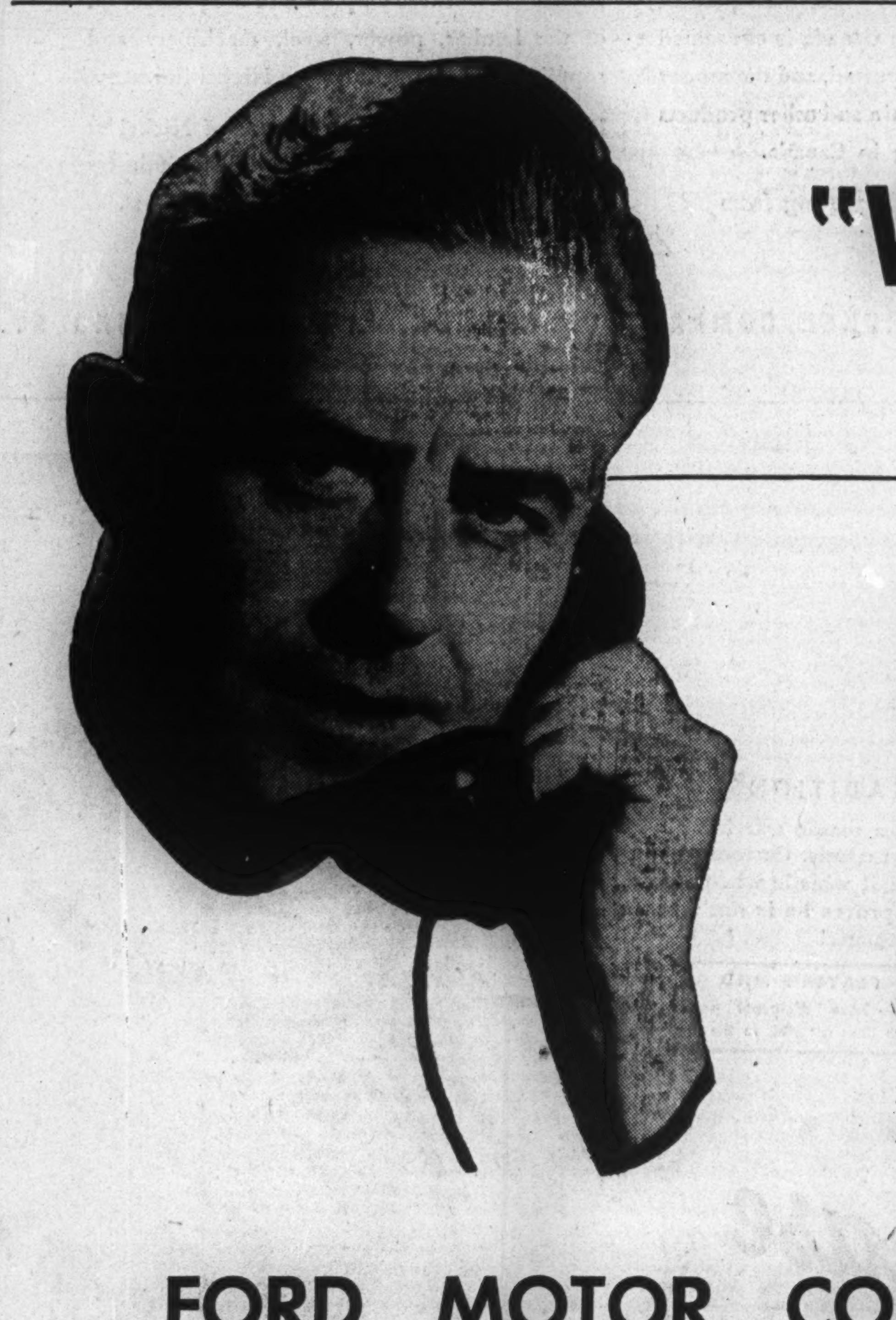
CITY OF HALIFAX, N.S. $1,050,000 new issue of 2%, 2½%, 3% debentures, to be dated Sept. 1, 1946, nd to mature Sept. 1, 1947 to 1966, s being offered by Dominion Securities Corp. and W. C. Pitfield & Co. The first 10 maturities have been sold. The 2½'s due 1957 to 1961 are being offered to yield from 2.52% to 2.60%, while the 3's due 1962 to 1966 are offered to yield from 2.77% to 2.82% depending on maturity. Proceeds are for the new T.B. hospital annex, schools, water works and other local improvements.

CITY OF WINNIPEG, MAN. tenders for a new $3 millions bond issue will close at noon Sept. 24. Funds are for hydroelectric and water systems and a new incinerator.

MANITOBA POWER COMMISSION reports an increase of 12.44% in the number of kilowatt hours purchased and generated for August, 1946, over a year before. The Commission's construction program is progressing satisfactorily, especially in western Manitoba, Chairman Herbert Cottingham states.



"What about my new car?"

Your dealer would be a happy man if he could give you the exact delivery date of your new car. Even if that date were six months away, it would give you *something* definite to go on. But he can't because we can't tell *him* how many cars will be delivered to him this year ; ; . or even this month.

The main reason is shortage of materials. Not only our own, but those of 1,200 feeder plants from whom we buy. Our expediters are searching the country trying to keep our slender supply of materials from running out: "When can we get steel?"... "Where can we find tires?" ; ; ; "How soon can we get textiles?"

In spite of all our efforts, this year's production looks like a child's sandpile against the mountain of urgent orders for new cars and trucks ; ; ; more than a four-year accumulation of demand. Now and then, for short periods, our output resembled our pre-war production. Now dwindling stockpiles have already forced us to adopt a three-day work week. And by the time you read this, production of cars and trucks may have entirely ceased.

It isn't a bright picture, but we think Canadians would rather have *cold facts.* So the answer to your question about your new car is really out of our hands.

This problem can't be solved overnight. But whenever materials are available, our assembly lines will be moving—no matter how difficult or complicated the job may be.

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The Financial Post
Vol. XL Publication Office: Toronto, September 21, 1946 No. 38

Vast Pulp And Paper Industry Is Producing At All-time High

By ARTHUR STYLES

MONTREAL (Staff)—Canada's pulp and paper industry has never been as active or as financially healthy as at present. Contrary to expectations that the industry would have to adjust its production and earnings downward once peace came, 1946 operations show how far wrong these observations were.

Consistently Canada's largest peacetime manufacturing industry, pulp and paper companies are now operating close to their effective capacity, and have been since all production controls were removed. Newsprint operations have been stepped up from a 1945 average of 75.8% to a level now exceeding 96% of capacity. At no time during the war did production exceed 78.9% of rated capacity on a yearly basis.

In fact the record of the whole industry to date in this first full year of peace speaks for itself. Even more than in the five years of war 1946 witnessed a record demand for all types of pulp and paper, a demand which has reflected itself in record levels of operations. Prices have generally been such as to assure a more reasonable return on invested capital than perhaps any time before.

Such activity spells high-gear operations for the Canadian economy as a whole. With annual purchases of some $200 millions, wage payments of $70 millions and payments of $75 millions to woods workers, pulp and paper operators benefit every section of Canada.

$218 Millions in Exports

As the largest exporter of manufactured goods in Canada, pulp and paper contributes bulk strength to Canadian export trade from which approximately one third of Canada's national income is derived. Through the first seven months of this year pulp and paper exports have been making new high dollar marks. In that period the dollar export value totalled $218 millions, 17½% of Canada's total export value and up 26% from the corresponding 1945 period, up nearly 50% from their value for the full year 1939.

Newsprint production to date this year has consistently exceeded 90% of effective capacity; and demands show no immediate signs of abatement. Though shipments to the U.S. have been at record levels, newsprint stocks in that country are well below normal. For the first time in Canadian pulp and paper history production this year will likely exceed four million tons.

In woodpulp, operations are also being conducted at record levels and 1946 exports of Canadian mills are expected to equal, perhaps exceed, the wartime level of 1.5 million tons annually. This would represent a 100% increase from pre-war levels of exports. As in newsprint, the woodpulp demand supply position is still critical and the U.S. is counting on high Canadian shipments the remainder of the year to keep its position on a basis somewhat approaching an equilibrium.

What is the driving force behind this unprecedented activity in Canada's pulp and paper industry? Can it be expected to continue? These are the leading questions that pulp and paper observers are asking.

The answer to the first question lies in the simple fact that U.S. consumption of both pulp and paper, particularly newsprint, continues in high gear despite reconversion from war to peace.

Pulp and Paper Balance Sheet

Not shown in any company financial statement, but important factors in the operation of the pulp and paper industry as a whole, are eight assets and four liabilities, on the balance of which hinges the industry's future. Here they are:

Assets:

1. The high level of advertising linage in Canada and the United States.
2. Depleted pulp and paper inventories.
3. Absence of volume exports from Scandinavian countries.
4. Wider export opportunities.
5. Future competition limited by the fact that competitive countries are now operating nearly all the productive capacity their forest resources can supply.
6. New uses for paper and pulp products (e.g. containers for frozen foods; multiwalled paper bags).
7. Reduced tax charges in prospect for 1947.
8. Price increases recently granted; others expected.

Liabilities:

1. Shortage of materials.
2. Lack of labor for woods operations.
3. Higher cost of both raw material and equipment.
4. Increased labor costs.

Canadian pulp and paper operations are geared directly to the level of U.S. requirements for these products. Over 80% of Canada's market pulp is exported to the United States and close to 80% of Canadian newsprint. Whatever serves to stimulate U.S. consumption of pulp and paper immediately finds a direct reflection in the level of Canadian operations.

Consumption up 25%

While U.S. consumption is generally expected to be 25% higher this year than in 1939, supplies from sources other than Canada will be well below previous peacetime levels. In conjunction with rising demands in the U.S. this has served to create the present tight market in pulp and paper.

Scandinavia formerly exported some 300,000 tons of newsprint annually to the U.S., has yet to export a ton this year. Add to this the fact that U.S. newsprint production is some 20% below pre-war, as capacity has been diverted to other, more profitable, grades of paper and you get the ingredients making up the present sellers' market in newsprint.

The woodpulp picture is similar to newsprint in that U.S. requirements are at all-time highs. Though Scandinavian countries have been exporting in reasonable volume to the U.S., supplies from Northern European countries are still 60% below pre-war levels. Scandinavian exports of woodpulp to the U.S. totalled only 300,000 tons for the first half of 1946 and Canada has been called upon to make up that deficiency plus that part of an increased U.S. consumption that higher domestic production can't meet. The paper and paperboard industry in the U.S. has been operating at capacity levels this year. This has translated itself into large and continuing demands for Canadian woodpulp and pulpwood.

How long will the present seller's market in pulp and paper last? How long will present demands continue at peak rates? These questions can't be answered unequivocally. The whole question of when and in what amounts present capacity operations will be slowed down is so closely integrated with such broad economic questions as general business conditions, the possibilities of increasing competition from Scandinavian countries and the threat which new woodpulp capacity holds out to existing Canadian mill operations that any answer would have to be hedged closely by ifs and buts.

This much, however, appears certain, observers are agreed. The Canadian pulp and paper industry is now better equipped than ever before to face a decline in the demands for its products, whenever and by whatever amounts that may occur. Here are some significant yardsticks illustrating the financial improvement made by 15 representative pulp and paper companies since 1939:

Funded debt at Dec. 31, 1945, $118.4 millions, down 41%.

1945 net earnings, $37.6 millions, up 90%.

End 1945 working capital, $98.2 millions, up 101%.

Holdings of Cash, Government Bonds, etc., end 1945, $42.2 millions, up 231%.

Then, too, the present situation, particularly in newsprint, is dissimilar to the overcapacity and overcapitalized condition of the industry which characterized its 1920 boom and 1930 bust era. Reorganizations made to company capital structures prior to the war and refunding operations since that time have brought down debt carrying charges to levels within the earning capacity of the companies in most cases, even though operations drop from present levels.

Pulp and paper capacity in Canada has not increased much since 1939. In that year newsprint capacity was approximately 4.3 million tons. It still remains at that level. Woodpulp capacity, including pulp consumed by paper mills, is now only fractionally higher than in 1939 when groundwood pulp capacity was four million tons, chemical pulp capacity, 21 million tons.

But under the stress of historically high demands for woodpulp, certain new capacity projects are now being embarked upon. They include:

1. Kalamazoo Vegetable Parchment Co. head office, Kalamazoo, Mich. This company expects to bring into production this year a bleached sulphate pulp mill with a capacity of 225 tons a day.

2. Marathon Paper Mills of Canada are constructing a mill at Marathon which will mean an addition of 300 tons a day to the Canadian bleached sulphate pulp capacity. Construction is expected to be completed this year.

3. The Kimberly Clark Corp. of Canada has a projected mill on the north shore of Lake Superior where capacity of 250 tons daily of sulphate pulp is expected sometime next year.

4. Recently constructed was Brompton Pulp and Paper's 200 ton kraft mill at Red Rock, Ont.

5. A new $4 million kraft pulp mill by Fraser Co. at Athol, N.B., with a daily capacity of 120 tons.

Observers justify these additons to capacity on the grounds of expanded acceptance of new industrial products. An important growth factor is the gain made in recent years by paper products against such products as wooden boxes, glass jars and tin cans in the container field and against lath and plaster in the building trade. In 1945 the cellulose rayon industry alone consumed 297,000 tons of woodpulp while paper research has developed byproducts of potentially large volume. One is lignin, formerly a waste liquid in wood pulp manufacture but now used to make vanillin, the base for artificial vanilla manufacture. Plaster pulp is another promising nonpaper manufacture made by cooking the waste liquid with hardwood and forming into sheets under pressure.

In woodpulp some careful observers express the opinion that whatever decline may occur in U.S. consumption will be matched, to some extent, by production declines. They expect that postwar U.S. woodpulp consumption will tend to stabilize at some 10 million tons annually, a level never equalled in pre-war and one which might mean an annual import quota of upwards of one million tons of Canadian woodpulp (pre-war average about ½ million tons). U.S. production of woodpulp has been falling steadily below 1945 levels and this declining trend is likely to continue as special measures taken to increase production during the stress of war are removed, it is held. The widespread substitution of paper and paperboard early in the war for such scarce materials as steel, tin and lumber has meant new and in many cases permanent markets for paper and board, and therefore woodpulp.

Where the present position of the Canadian pulp and paper industry differs radically from the boom-expansive era of the latter 20's is that there has been little over-all addition to Canadian production. New pulp mills are now being constructed, particularly in Ontario, but observers do not consider them a threat as long as the total new capacity they represent is such a small part of Canadian pulp and paper capacity. In newsprint, however, there have been no additions to capacity in some years. This is such a stabilizing element that the present boom in newsprint must be set apart from the 1920 boom where new production aggravated the decline in consumption of the 1930's. Then Canadian capacity, under the impetus of active demand and high prices, was built up to a level where collapse was almost inevitable when declining consumption set in.

Chief bottleneck in the way of expanding newsprint capacity in

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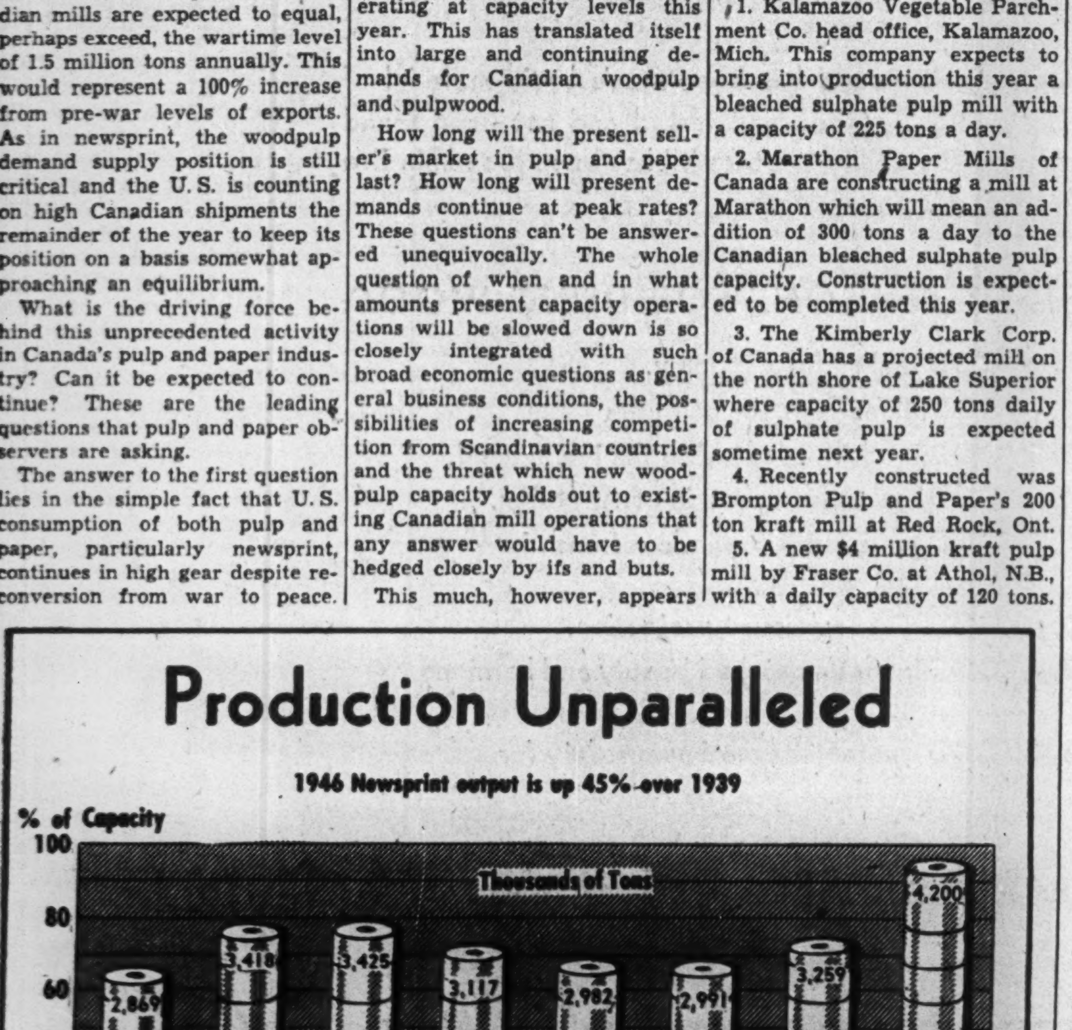

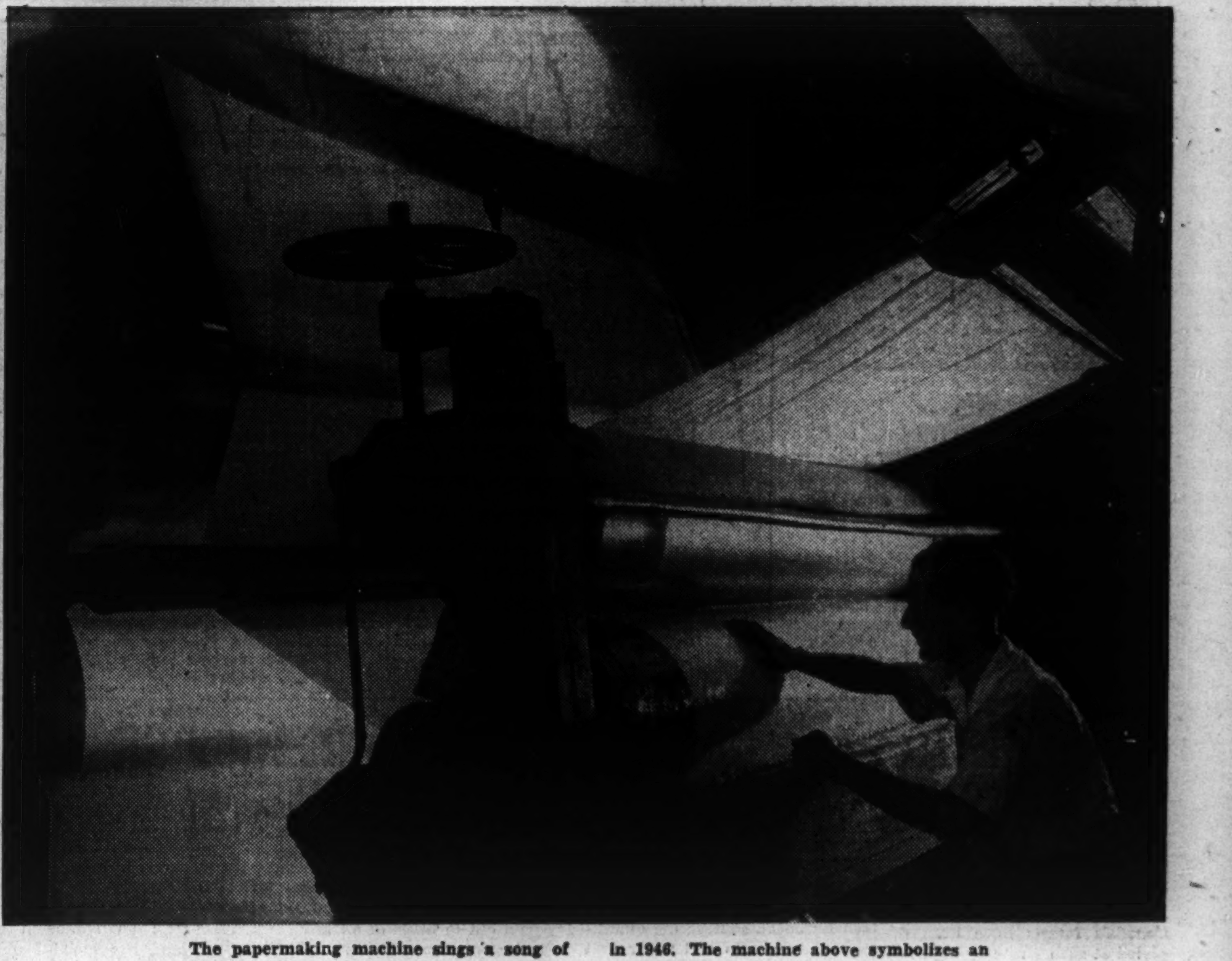

The papermaking machine sings a song of triumph this year. More than four million tons of newsprint, thousands of tons of other papers will have rolled from Canadian mills in 1946. The machine above symbolizes an industry whose product this year will be worth nearly $400 millions—Canada's fifth largest manufacturing business.

Newsprint Output Near Capacity As Ad Linage, Circulation Soar

MONTREAL (Staff)—Most significant development in the Canadian newsprint industry this year has been its record high rate of operations. Observers were aware that the industry would have no reconversion problems, but no one was prepared to predict that requirements would be such that the industry would find it necessary to operate throughout the year at rates consistently in excess of 90% of capacity, and yet fail to satisfy all demands.

Spurred by record high levels of advertising linage in the U. S. and record levels of publisher consumption in that market, the industry has produced 2.4 million tons through July and indications are that 1946 production will reach four million tons. At the present time, with operations in excess of 96% of effective capacity, the industry is producing at the annual rate of 4.2 million tons. Both of these figures represent all-time highs for the Canadian industry.

Output through July, 1946, was up 1.5 million tons or 30% from last year. Shipments from Canadian mills have followed a similar pattern. Through July they totalled 2.3 million tons, also a 30% increase from last year. Approximately 80% of Canadian mill shipments were to the U. S.; 6% to Canadian consumers; 14% overseas exports. All these figures are new highs. It is generally expected that shipments to the U. S. this year will be some three million tons, with perhaps 450,000 tons of Canadian newsprint finding its way into export markets.

Main factor behind the high rate of Canadian newsprint mill operations is the high level of U. S. newspaper advertising linage and publisher consumption. Apparent U. S. consumption for all publishers through July was slightly over 2.4 million tons, up 27.8% from the corresponding 1945 period, up 23.8% from 1939. This level of publisher consumption has followed closely the rise in U. S. newspaper advertising linage which was up 24.6% from 1945 and 22% from 1939 in the same period of time.

U. S. Production Low

U. S. mills have not done much toward meeting the tremendous increase in U. S. publisher demands for newsprint. For the first seven months of 1946 production at 450,661 tons was up but 6.1% from 1945, but below 1939 levels as tendency in the U. S. has been to divert newsprint machines to the production of other, more profitable, products.

Scandinavian countries in immediate pre-war years exported some 300,000 tons of newsprint annually to the U. S. Their failure to export a ton since 1942 has served to aggravate the present sellers' market in newsprint. Unless there is a break in the course of business activity, with a consequent fall in advertising linage and newsprint consumption, most observers see little hope for improvement in the demand-supply situation until southern U. S. mills come into production in 1948.

Actually the position may become even more serious in the interim as Department of Commerce statistics indicate a further withdrawal of U. S. mill capacity from newsprint to other paper products. Canadian mills can't be expected to produce much more than their present rates and no new mills are planned at this time for Canada. Scandinavian countries won't be disposed to enter the U. S. market with newsprint in volume as long as spot world prices are so much higher than those currently prevailing in the U. S. under OPA ceilings.

Prices Still Problem

Whether the recent $7 per ton price boost in newsprint will relieve the situation is a matter of conjecture. Canadian mills weren't too pleased with the amount of that raise, which was just sufficient to cover their loss on dollar parity plus 20c. additional. Had the price increase been more substantial it might have paid the industry to reopen idle, high-cost mills and speed up existing machine operations with an indicated annual addition to capacity of perhaps ½ million tons, it is said.

Whether Scandinavian shipments to the U. S. will now be resumed remains to be seen but most observers can't see much immediate hope in that direction. They point out that upward revaluation of the Swedish monetary unit earlier in the year meant, as in the case of Canada, a lower realizable mill net to Swedish producers. Recent $7 per ton price boost in the OPA price of newsprint was not even sufficient to correct the effects of the 15% upward adjustment in the exchange value of the krona, it is pointed out. There was, in effect, no basic price increase either to Canadian mills or to Swedish producers.

Despite record demands on Canadian newsprint mills from U. S. and Canadian publishers, the industry has not been overlooking its export customers. Overseas shipments are now running somewhat ahead of pre-war rates and could exceed that level considerably with profit to the industry if mill capacity were available. For the first six months of this year, overseas exports totalled 258,478 tons (245,074 tons in corresponding 1945 period.) Here is where this newsprint is going:

U. K.	43,989
Other Empire	95,157
Cen. and South America	80,963
Other areas	38,369
Total	258,478

Canadian Newsprint Preferred

Yet foreign demand for newsprint remains far from satisfied. As an illustration of how highly Canadian newsprint is regarded in foreign countries, Editor & Publisher recently referred to the fact that Argentine newspaper publishers preferred Canadian newsprint to Scandinavian because of its better quality. Representations are continually being made by this and other Latin-American countries, by France, Empire countries (particularly Australia and India) for more Canadian newsprint but the simple facts of the situation are that there just isn't enough production and capacity to satisfy all claimants.

This much is certain. The present represents just about the most active newsprint sellers' market in the history of the Canadian industry. The big, unanswered question remains: when will the newsprint bubble burst?

Barring a setback in U. S. business activity, the best guess is that publishers will get relief as soon as U. S. production is stepped up. There are a number of southern pine mills planned in the U. S. which might be in production in early 1948. Otherwise the only source of relief lies in what Scandinavian countries decide to do. Actually, as a residual claimant agency, the U. S. might have expected some relief by way of newsprint from Scandinavia by this time. To date, however, supplies have not been forthcoming. Part of the reason undoubtedly is that their supplies are understood to be well below pre-war and thus are not large enough to permit shipments to the U. S.

First claim to Scandinavian newsprint is held by the U. K., France, Denmark, the Netherlands, Belgium and Latin America. Even if Scandinavian supplies had been available, after minimum European and Latin American requirements had been met, it is questionable whether Northern European countries would have been prepared to sell newsprint in the United States at the current price of $74 per ton, f.o.b. New York. Better prices have been available in almost any other country.

Price Now $74 Ton

Recognition of this fact was understood to be one of the factors prompting OPA to raise the price of newsprint by $7 per ton on last Aug. 23. Although it is too early to see how Scandinavian countries will react to this price hike, some analysts, as indicated in earlier paragraphs, see it as merely a partial offset to the 15% upward revalua-

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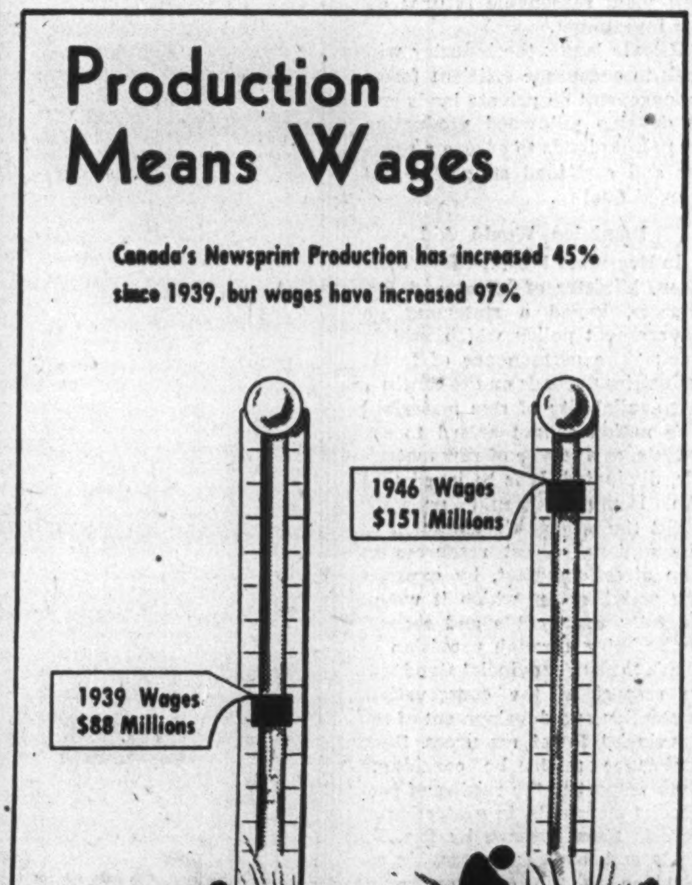
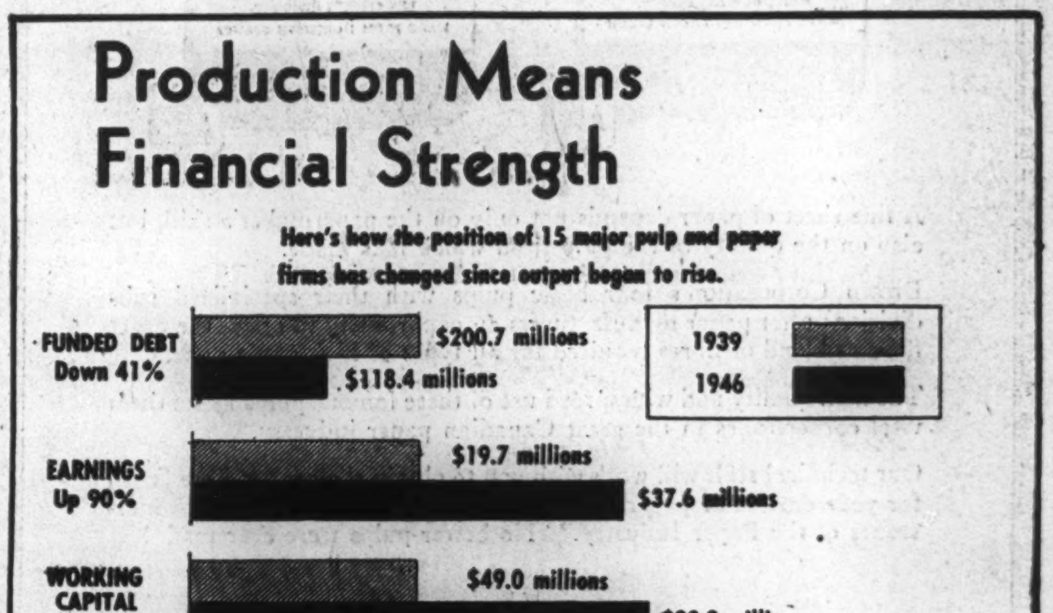
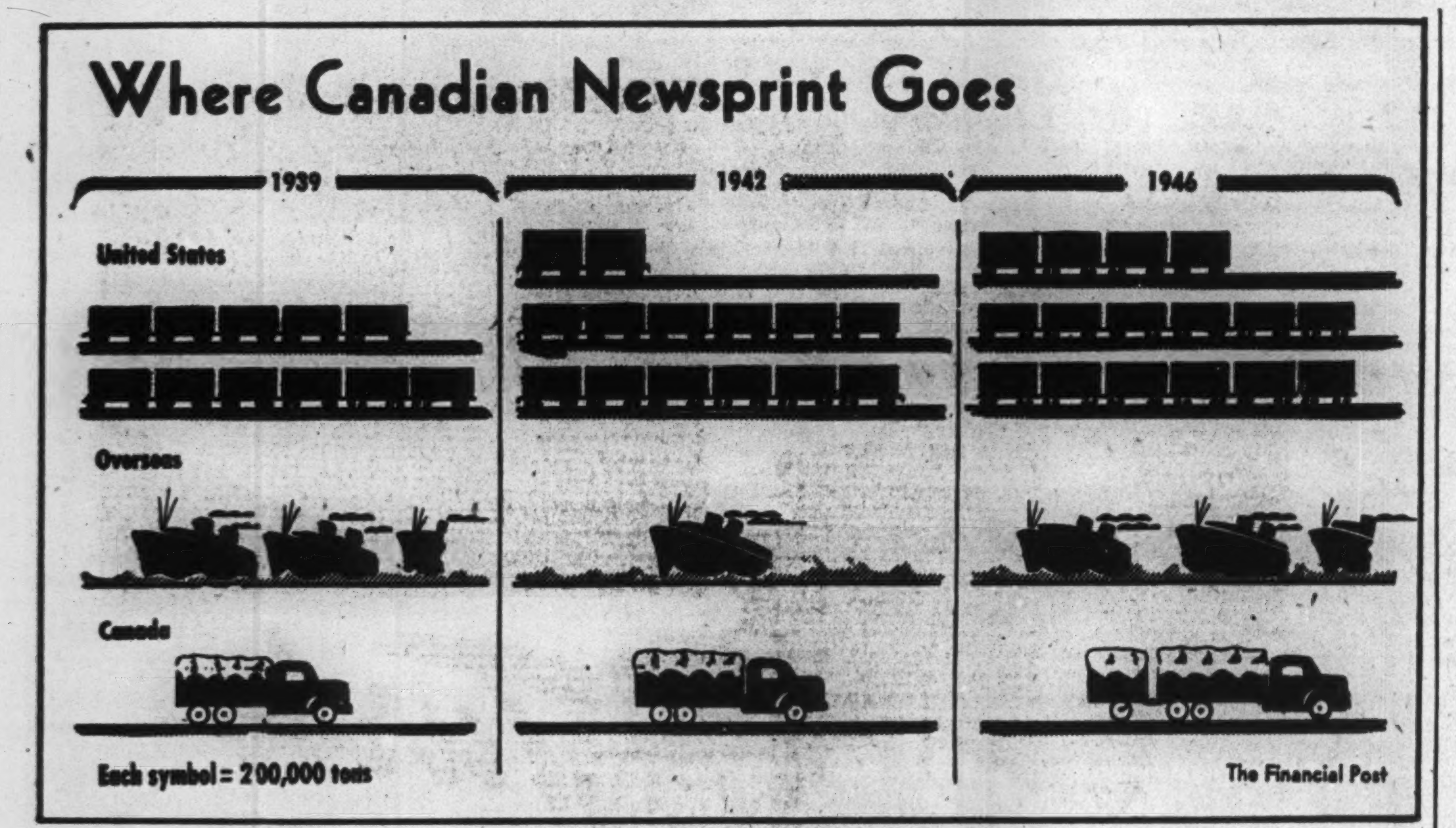






$218 Millions of Pulp and Paper Exports Represent 17½% of Canada's 1946 Total

(Continued from page 25)

Canada at the present time is the lack of suitable timber reserves. Canada's forests have been depleted at such - rate by high rate of operations and fires, insect damages, etc., that there are relatively few localities left where woodcutting operations could reasonably be conducted.

Then there is the fact that the cost o. constructing newsprint mills is such (approximately $60,000 per ton of daily capacity including limits and working capital) that the capital markets could not, at present levels, finance new capacity. As long as the outstanding securities of existing mills sell at less than replacement costs, as at present, there can be no incentive to increase existing capacity or install new capacity, observers say.

Regarding the 1946 outlook for pulp and paper generally, the Combined Working Group of the Combined Raw Materials Board had this to say: "World wide requirements for Northern European supplies of woodpulp and papers, other than newsprint, can in all likelihood be adequately met during the 12-month period following the resumption of shipping from these sources. In the case of newsprint and paperboard, however, sizeable deficits are in prospect for this period. There is still some question as to whether sufficient shipping will be available to move from Northern European sources the quantities of woodpulp and paper that are estimated to be available."

The record has shown how correct these 1945 observations have been. Scandinavian pulp has been coming into the U. S., newsprint paper has not. Though this report throws no light on pulp and paper trends beyond 1946, it does at least indicate that newsprint will be perhaps the last pulp and paper item to come into free supply.

Besides making such large contributions to the cause of a free press, the Canadian pulp and paper industry has consistently been the most important peacetime manufacturing industry in Canada.

104 Mills Active

Canada's 104 active pulp and paper mills in 1944 made the following direct contributions to the Canadian economy; $16 millions for purchased power; $22 millions for fuel; $19 millions for pulpwood bought from farmers and settlers; $35 millions for chemicals and mill supplies; annual wage bill of $76 millions and paid another $75 millions to wood workers; $71 millions for transportation.

The pulp and paper industry is one of the larger contributors to the public purse in Canada. During the war years, the industry paid out in taxes of all kinds an estimated sum exceeding $200 millions.

Though the immediate outlook for Canada's pulp and paper industry remains good, there are some question marks in the outlook for the industry from a long-range point of view. Biggest liability that the industry operates under at the present time is conceded to be the lack of national forest policy.

A report issued early in 1946 by the Dominion Forest Service indicated that Canada has a total productive forest area of 813,110 square miles, of which 435,000 sq. miles are economically accessible. At the present time, Dr. Cameron, the Dominion Forester, estimates that the annual rate of growth of Canadian forests is 14 cubic feet per acre—about one half the growth rate being achieved in Scandinavian countries. Canada has latent possibilities in its forests, which if realized would mean an industry 3.6 times its present size, it is estimated.

Industry Plan

Realizing this, the Canadian Pulp and Paper Association issued a statement on forest policy at its annual general meeting in January this year, which was endorsed by the industry. In brief, it called for:

Surveys and inventories of forest resources: an extension of Dominion and Provincial Forest Service operations so that fundamental information necessary for long-term forest management by the industry may be assembled and continuously maintained.

Forest management: each company should adopt a policy of sustained management for all forest areas owned or leased by it, and should institute measures which will ensure continuous forest growth on those areas.

Forest protection: losses of wood supplies from fire, insect infestation and disease should be reduced through the co-ordinated efforts of the forest industries and the Dominion and Provincial Governments.

Silviculture: as part of a forest management policy, each forest operator should obtain and apply the knowledge necessary to reproduce and grow forests so that the yield per acre may be increased, the period of rotation shortened.

Use of forest products: there should be adoption of all practicable means to utilize all products of the forest both by diversification of production in pulp and paper mills and by disposal to allied forest industries.

Mechanization of logging: the industry will seek to increase the efficiency and reduce the cost of logging by the introduction of mechanical equipment.

Forest labor: there should be greater stability and more efficient utilization of the woods labor force.

Forest land tenure: each forest operator should seek to establish for its own operations a system of long-term tenure of forest lands which will permit proper execution of a long-term forest management policy and reasonable return on the investment therewith.

Forest finance: each forest operator should seek to provide and to protect the heavy capital expenditures necessary to place forest holdings under sustained yield management on a basis that will yield reasonable returns on the investment.

Private lands: the industry will seek to encourage efficient forest management on private lands and to develop pulpwood production on private lands to ensure a regular and sustained supply of improved quality.

Dominion Would Aid

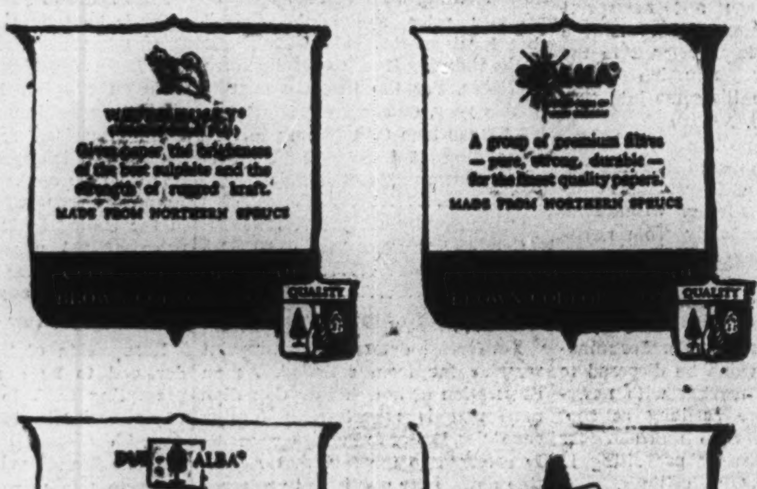
In December 1945, the Hon. J. A. Glen, Minister of Mines and Resources, issued a statement on government policy which said in part: "The permanence of forest industries depends on the continuing availability of raw materials. The nation cannot afford to see forests, as a source of raw materials, dissipated. It is believed that the Dominion could properly assist the orderly development of the national forest resources in two directions: first, by expanding activities for which it would be fully responsible and second, by assisting through provision of funds to raise provincial standards in respect of the conservation, protection and development of the provincial forest resources. Such assistance might be considered with respect to the raising of provincial standards, in protection of forests from damage by fire, insects and disease; to provide assistance in the construction of new forest roads, stream improvements and other works needed to facilitate improved forest management and the extraction of forest products. . . ."

It is probably not too much to say that both the industry as a whole and the Dominion Government are now giving more thought and attention to the problems of Canadian forestry than at any time in the past. Just what this holds out in the way of attaining maximum forest harvests remains to be seen, but most observers concede that these are steps being taken in the right direction.

At the present time here are some of the major assets and liabilities under which the Canadian pulp and paper industry is operating:

Assets: (1) the high level of advertising linage; (2) depleted pulp and paper inventories; (3) absence of volume exports from Scandinavian countries; (4) wider export opportunities; (5) limited expansion in new productive capacity; (7) new uses such as containers for frozen foods, etc.; (8) reduced 1947 tax charges and (9) ceiling price increases.

Liabilities: (1) shortage of materials; (2) lack of labor for woods operations; (3) higher material costs, particularly pulpwood and (4) increased labor costs.



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James J. McCann

HON. J. J. McCANN, M.P.
Minister of National Revenue

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Newsprint Mills Operating At 96% of Capacity But Still Unable to Meet Increasing Demands

(Continued from page 25)

tion of the krona, and therefore little if any incentive to greater shipments to the United States.

To date this year the Canadian newsprint industry has been given two price hikes—the one on Jan. 1 bringing the price to $67 per ton (U.S. funds); the second on Aug. 23, bringing the prioe to $74 per ton, U.S. funds. The first price increase meant perhaps $67 Canadian funds at the mill after the Canadian industry absorbed the freight charges: under the second price "increase" they will still only realize some $67 Canadian funds at the mill due to dollar parity. The industry maintains, therefore, that they have received no price compensation for cost increases since Jan. 1.

During the war the industry cooperated wholeheartedly with the Government in keeping prices down. At the outbreak of war the price of newsprint was $50 per ton. It was raised to $54 in Sept., 1943 and $61 in April, 1945. But the pressure of cost increases on fixed selling prices since that time prompted a further price adjustment last Jan. 1 to $67 per ton.

The Canadian industry is not alone in wanting higher prices for newsprint to cover increased operation costs. A large number of U.S. publishers have made representations to OPA to get the price set at higher levels. They want a guaranteed source of newsprint supply and realized that industry goodwill could be achieved by supporting claims for higher newsprint prices.

The Industry's Case

In brief, here is the case which Canadian newsprint mills make to justify their claims that higher prices are warranted at this time. They point to these statistics as evidencing what has happened to newsprint costs since 1942.

Pulpwood costs: up 50% in some cases. Over-all costs of pulpwood peeled on the pile now averages perhaps $21 per cord, against $13.75 in 1939. Certain high cost mills pay $25 per cord of pulpwood, or 50% of the average cost of producing a ton of newsprint. Reason for high pulp costs is that timber reserves in these limits are far removed from the mill.

Labor costs: up at least 40%, including mill salaries and there is yet no indication that this element in newsprint costs—about 20%—will remain unchanged.

Fuel and primary power: up approximately 30% in an average mill. At $10 per ton of production for fuel and power, these items account for 20% of the cost of a ton of newsprint.

Miscellaneous costs: up an estimated 30%. This includes such items as stores, chemicals and administration costs. Then, it is pointed out in newsprint circles, the industry has had to contend with U.S. freight rate increases made earlier this year adding perhaps another 75c. to the per ton cost of newsprint. All these increases add up to the dollar and cent angle, according to industry spokesmen, that Canadian newsprint companies can't bring down to net profit more than a small portion of the price increase made in January last. During 1945, it is pointed out, the industry had net income equivalent to a 5.5% return on net worth, lowest among all Canadian industry except transportation and utilities, not subject to such extremes in demand as characterize newsprint company operations.

At the present time the industry no longer operates under the wraps of wartime controls. All Price Board controls on the export of Canadian newsprint were removed on Dec. 31 last. This meant that Canadian mills could sell newsprint wherever markets existed although the Government maintained mill allocations of newsprint for Canadian consumption to assure a steady supply for Canadian publishers.

Abitbi Power

Abitibi Power & Paper Co. is one of the largest newprint producers in Canada. It, with its subsidiaries, owns and controls seven newsprint mills—at Iroquos Falls, Fort William, Sault Ste. Marie, Port Arthur and Sturgeon Falls (not operating) in Ontario; Beaupré, Que., and Pine Falls, Man. The Iroquois Falls mill is by far the largest, with an annual rated capacity of 192,800 tons in 1942.

After operating under receivership from Sept. 10, 1932, following failure to meet bond interest, Abitibi was restored to corporate management on May 1, 1946, the receiver and manager being discharged by the Court as a result of unanimous acceptance by bondholders and shareholders of a plan of capital reorganization.

Briefly the plan provided:

1. **First mortgage bonds**—Holders of each $1,000 principal amount of 5% first mortgage bonds due 1953 received $1,100 principal amount of new 5% first mortgage bonds, dated June 1, 1944 and due June 1, 1965, of which $525 was for principal, $500 for interest and $75 for interest on interest. The National Revenue Department has ruled that, on payment of maturity or on prior redemption, $525.73 of each new $1,000 bond due 1965 will be treated for the purposes of Canadian income tax as income in the hands of the bondholder.

2. **Unsecured creditors** received in cash 100 cents on the dollar of their claim in the winding up proceedings (exclusive of interest). These claims were settled at $733,370.

3. **7% preferred**—Holders of each of the 10,000 outstanding 7% preferred $100 par shares received five new $2.50 prior preferred shares, $20 par. All dividend arrears on the 7% preferred amounting to $39.25 at July 1, 1944, were cancelled. Dividend on the new shares is cumulative from Jan. 1, 1945. The new shares are redeemable, at option of the company, at $37.50 a share.

4. **6% preferred**—Holders of each of the 348,818 outstanding 6% preferred shares, $100 par, received four new $1.50 preferred shares, $20 par, and two new no par value common shares. All dividend arrears on the 6% preferred, amounting to $79.50 at July 1, 1944, were cancelled. The new $1.50 preferred is redeemable at option of the company at $25 a share. Dividends are to be cumulative from and after the next quarterly dividend date after the date upon which the principal amount of the first mortgage 5% bonds, due 1965, outstanding under the amended indenture shall have been reduced to or below $35 millions or Jan. 1, 1947 whichever is the earlier.

5. **Common** — One of the issued common shares registered in the name of R. S. McPherson, liquidator, was cancelled; and holders of the remaining 1,088,116 outstanding shares of no par value, received one half a share of new no par value common stock for each old share.

6. **Management** — Provision is made for 11 directors of which seven will represent the bondholders until the funded debt is substantially reduced and four the shareholders. To effect this, an issue of 14, 5% preferred shares, $100 par, was created. Each of the seven Class A directors (representing the bondholders) will hold two of these shares. The provision for the election of seven directors on behalf of the bondholders disappears when the principal amount of the first mortgage bonds is reduced to $25 millions.

Capitalization outstanding after the plan became effective consists of $53,093,700 5% first mortgage bonds, due June 1, 1965; 14 shares, $100 par value, 5% preferred; 50,000 shares, $20 par value, $2.50 prior preferred; 1,395,272 shares, $20 par value, $1.50 preferred and 1,241,694 no par value common shares. Of the common shares, 697,636 were given to holders of the old 6% preferred and 544,058 to holders of the old common shares.

G. T. Clarkson, receiver and manager, in his 14th and final report for the year 1945, states that Abitibi and its wholly-owned subsidiaries produced 453,657 tons of newsprint as compared with 438,705 tons in 1944, and 470,750 tons in 1943. Of the 1945 production, 15,707 tons (25,571 in 1944) were produced at the increment cost thereof and without profit to Abitibi by order of the Newsprint Administrator. In addition, the companies have produced a total of 83,834 tons of sulphite and other pulp in 1945 against 65,271 tons in 1944 and 108,417 tons in 1943.

There were about 973,000 cords of pulpwood on hand at Feb. 28, 1946, of which it was expected approximately 50,000 would be left in the bush at the end of the 1945-46 cutting season, the report states. To enable the company's and subsidiaries' mills to operate at their full aggregate productive capacity as at present, requires conversion of approximately 835,000 cords of pulpwood yearly. On Mar. 31, 1945 there were approximately 630,000 cords of pulpwood on hand (of which about 70,000 cords could not be hauled from the bush) and on Mar. 31, 1944 approximately 605,000 cords.

Income from shares of $30,762,954 ($28,210,694 in 1944) was derived; $29,686,465 ($27,109,008) from sales of newsprint and woodpulp and $1,076,489 ($1,091,686) from sales electric power. Provision for depreciation was reduced to $3,750,000 ($4 millions) as the value for income tax purposes of certain properties had become wholly written off. Income and excess profit taxes were set up at $1,750,000 ($1,250,000) but the company's tax position was still uncertain. The question of a standard profit base was before the Board of Referees on May 17, 1945 but their decision is not yet available. The profit after all charges was up 76.4%—$1,841,040 ($1,043,739).

An analysis of the 1945 results in relation to the new reorganized capital structure indicated:

Earnings on the new $2.50 preferred of $34.39 a share ($26.69 in 1944).

Earnings on the new $1.50 preferred of $1.14 a share (87c.).

No earnings on the new common—a deficit of 40c. (deficit 71c.).

With demand for newsprint remaining high and with the inventory of pulpwood up 54.5% above the amount required for capacity operations, increased sales are expected by Abitibi this year.

Anglo-Canadian

Anglo-Canadian Pulp and Paper Mills, operates a newsprint and unbleached sulphite pulp mill at Quebec City. Rated capacity of the newsprint machines are 650 tons daily. Company has 80 tons of unbleached sulphite for sale after meeting its own requirements.

Sole capitalization consists of 1,050,000 shares of common stock, no par value, of an authorized issue of 1,500,000 shares. Controlled by interests associated with the London Daily Mirror, there is no direct public interest in the company's securities, nor are financial returns published.

Normally, chief outlet of Anglo-Canadian's newsprint production was England, but since the war this has changed and the United States now takes the bulk of the output. Other markets consist of the United Kingdom, Australia, Mexico and South America.

Late in 1942 the company entered the shipping business, taking over a $1 million outfitting yard built by the Dominion Government at Inner Basin, Quebec Harbor. Management was effected jointly with Morton Dry Dock & Shipbuilding Co. and George T. Davie & Son. The company is no longer identified with this enterprise though during the war 14 frigates were outfitted under contracts amounting to $14 millions.

Though company officials were not prepared to indicate earning power, it may be expected that it has been participating fully in the current active pulp and paper markets. One indication is the higher rate of capacity for the company's newsprint operations. Formerly rated at 600 tons daily, the effective rate at the present time is said to be 650 tons.

Canadian Int. Paper

Canadian International Paper Co., subsidiary of International Paper Co., is the largest pulp and paper enterprise in Canada manufacturing newsprint paper, bleached and unbleached sulphite pulps.

Plants are at Three Rivers, Gatineau, Que., Kipawa and Hawkesbury, Ont., and Dalhousie, N.B., with approximately 2,200 daily tons of newsprint, 560 tons of bleached sulphite and 160 tons of unbleached sulphite. The company has holdings of Crown pulpwood limits in Quebec of over 13 million acres, or sufficient to provide for the requirements of present mills in perpetuity.

Last year Canadian International produced 821,371 tons of pulp and paper. This was about 25,000 tons greater than in 1944. Declines in dissolving pulp (2,000 tons) and in other sulphite pulps (21,000 tons) were more than offset by increased output of newsprint (32,000 tons) and in other pulp and paper products (16,000 tons).

Particulars of production for 1945, with comparative figures for 1944, follow:

	TONS	
	1945	1944
Newsprint	544,621	512,359
Dissolving pulp ...	142,889	144,988
Other sulphite pulp	107,668	128,899
Other grades	26,193	10,531
Total	821,371	796,777

Canadian International called for redemption on Jan. 1, 1946, at 101½ and accrued interest, its $15,286,000 outstanding first mortgage bonds, 6% series due 1949. This subsidiary company could have paid these bonds out of Canadian funds available to it, but to have done so would have involved a substantial exchange loss since the holders were

(Continued on page 28)

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FITTINGS
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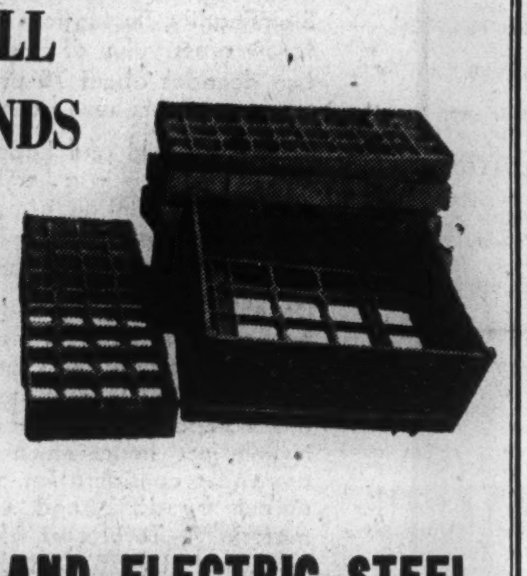

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Shown here are four Canadian installations:

Top right: 2-7500 kw condensing units in a steel and coal plant.
Top left: 1750 kw extraction condensing unit in a textile mill.
Lower left: 500 kw back-pressure unit in an industrial power plant.
Bottom left: 7800 kw automatic double-extraction unit in a paper mill.

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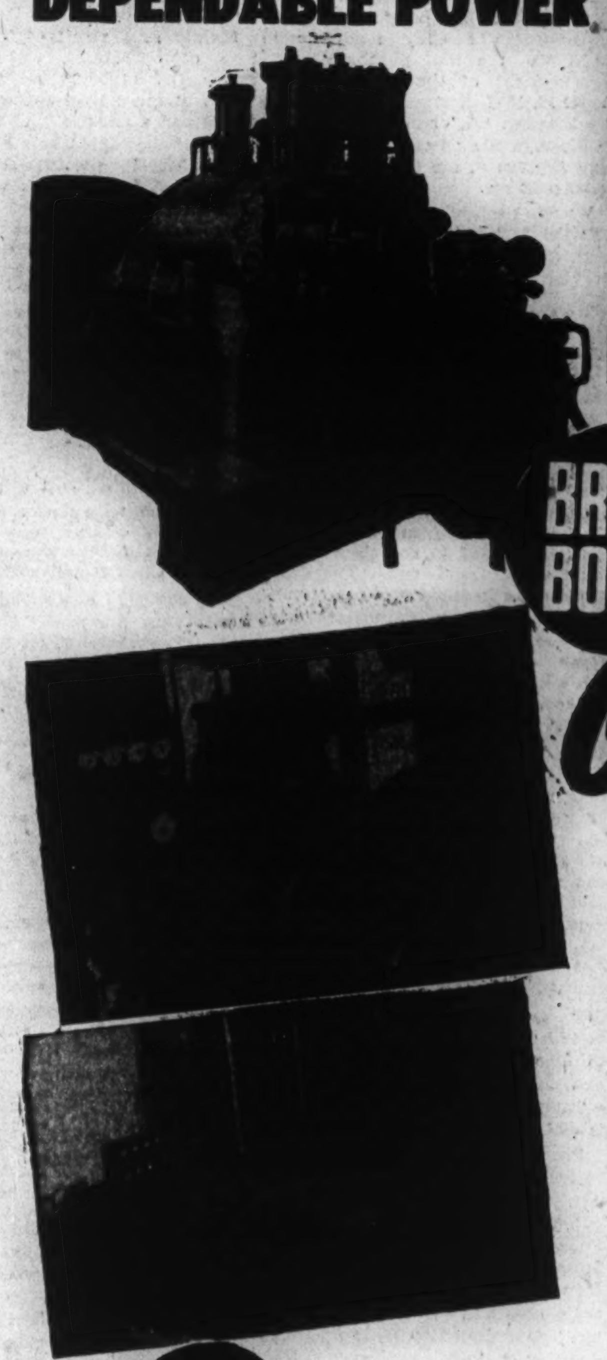
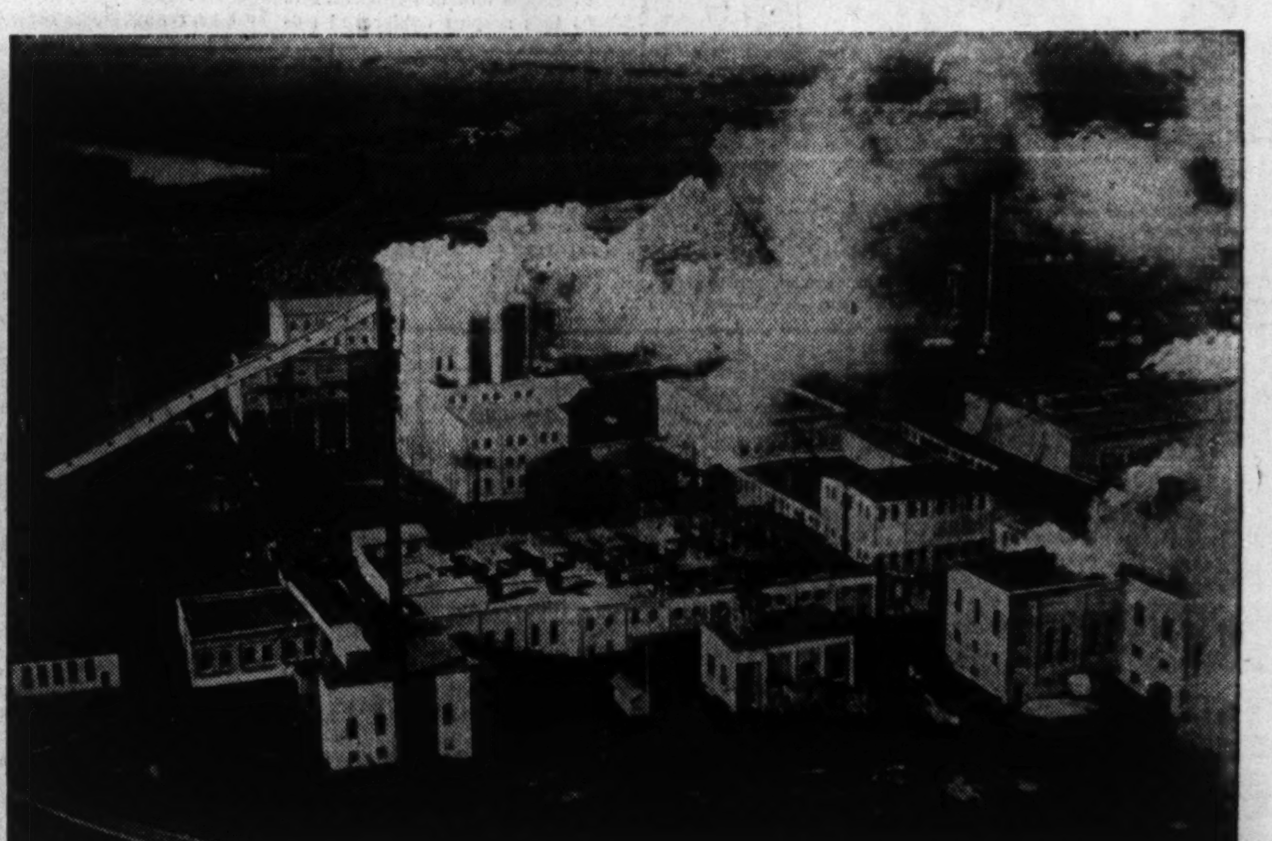


THE GREAT LAKES PAPER
COMPANY LIMITED



The Great Lakes Paper Company Mills

MANUFACTURERS OF HIGH-GRADE NEWSPRINT PAPER
AND UNBLEACHED SULPHITE PULP

●

Annual Mill Capacity
116,000 Tons Newsprint
48,000 Tons Sulphite Pulp

●

Pulp and Paper Mills at Fort William, Ont.
TORONTO OFFICE – 55 YORK ST.

Dollar Parity, Increased Costs Offset Benefits Of Price Advances Granted Newsprint Producers

(Continued from page 27)

entitled to payment in U. S. funds. It therefore borrowed $15.5 millions in U. S. funds from banks at 1⅛% interest for repayment July 1, 1949, without amortization. This loan was subsequently repaid in July last out of company working capital shortly after dollar parity.

Work on the new bleaching plant at the Gatineau sulphite pulp mill, delayed by war conditions, is scheduled for completion this year. The Gatineau mill will then be able to produce either dissolving pulp or bleached or unbleached paper pulp, as market conditions require.

With the retirement at the first of the year of the company's outstanding bonds, there is no longer any further public investment interest in this company.

Donnacona Paper

Donnacona Paper Co. is an important producer of newsprint besides being active in groundwood pulp, sulphite pulp and insulating board.

The company's newsprint mill, with necessary groundwood and sulphite pulp plants, is located at Donnacona, Que. and has a capacity of 95,000 tons annually. Capacity of the sulphite pulp mill is 40,000 tons of which 25,000 is surplus for sale. Capacity of the groundwood pulp mill is 117,000 tons while insulating board capacity is 80 million sq. feet of board products.

Production of newsprint, sulphite and insulating board showed a decrease in 1945, compared with the amount manufactured in 1944, due to insufficient pulpwood supplies caused by the labor shortage last year. At the present time, demands exceed supply. Products are sold in Canada, the United States, and overseas.

Approximately 90% of the company's newsprint output and approximately 55% of its sulphite pulp available for sale is being sold in the United States. Sale of insulating board products is world-wide.

Operating profit for the year ended Dec. 31, 1945 increased to $1.4 millions from $1.3 millions in the previous year, because of added efficiency and a moderate advance in selling prices, enabling the company to offset the additional cost of labor, pulpwood and all other manufacturing costs. Net profit for 1945 increased to $289,161 from $273,725 and per share earnings amounted to 77c., against 73c. in 1944.

Capacity operations are anticipated in 1946, but the supply of pulpwood will not permit newsprint mills to run at more than 85% until June, 1947. There is no prospect of any immediate let-down in demand for newsprint and insulating board, it was announced in January. Plant extensions and betterments commenced in 1944 were expected to be completed last April 1. Late delivery of machinery prevented completion in 1945. Capital expenditures during 1945 totalled $886,428.

In May, 1946 a new issue of $2.5 millions of 4½% cumulative convertible redeemable preferred shares, par value $100, was offered at $100. The issue will involve annual dividend requirements of $112,500. Purpose of the issue was to provide funds of $1.2 millions to reimburse the company for capital expenditures already made, and $1,225,000 the the purchase and development of timber limits. At April 16, 1946, first mortgage bonds, 4½% series "A," amounted to $5.2 millions, while notes payable totalling $510,000 at the end of 1945 had been paid off.

Working capital as at Dec. 31, 1945 totalled $2.2 millions, as compared with $2.4 millions at the end of the previous year.

Donohue Bros.

Donohue Brothers owns and operates at Clermont, Charlevoix County, Que., a newsprint mill with an approximate annual capacity of 50,000 tons. The company also manufactures groundwood pulp.

Under lease from the province of Quebec are 430 sq. miles of timber limits estimated to contain 1.5 million cords of pulpwood. The firm also owns a freehold of limited area. The provincial Legislature recently authorized an additional concession of an area of 80 square miles, but this concession has not as yet been located.

For the present the newsprint output is entirely sold to Scripps-Howard Supply Co. As of Jan. 1, 1947 production will be absorbed by the Scripps-Howard Supply Co. and the Hearst interests. Entire newsprint production for 10 years commencing Jan. 1, 1947 has been sold under contracts.

The company is now installing modern grinders which are expected to be completed during the last quarter of this year. Improvements to manufacturing facilities are under consideration which are expected to increase newsprint output 17% and cut operating costs.

Total cost of these expenditures is estimated at $475,000.

Previously a privately controlled company, Donohue Bros. sold 150,000 shares of ordinary stock, no par value, to the public earlier this year. These shares are now listed on the Montreal Stock Exchange. Other than the 150,000 common shares authorized and issued the company has outstanding $500,000 in 5% notes due Jan. 1, 1956.

Consolidated profits before income and excess profits taxes in 1945 totalled $286,665 with net profits available for dividends (excluding refundable portion of EPT) totalling $214,134. Operations in 1944 resulted in consolidated profits of $309,342 with $166,293 in distributable income after income and excess profits taxes.

Working capital of the company was $1.6 millions at Dec. 31, 1945 according to pro-forma balance sheet.

Gt. Lakes Paper

Great Lakes Paper Co., with head office at Fort William, Ont., manufactures newsprint and unbleached sulphite pulp.

Its plant on the Kaministiquia River, just west of Fort William, has an annual rated capacity of about 116,500 tons of newsprint and 40,000 tons surplus unbleached sulphite pulp.

Production in 1942 was 119,761 tons newsprint and over 35,000 tons sulphite pulp. No tonnage figures have been reported since, but operations in 1945 were stated limited to approximately 78% of newsprint and 89% of surplus sulphite pulp—being restricted by available wood supply. Wood production was adequately increased last winter so that mills this year are now operating at 100%, of both newsprint and surplus sulphite capacity.

Mainly as a result of the higher rate of operations, Great Lakes Paper Co. reported an operating profit of more than twice the 1945 figure and a net profit of $468,628—3.8 times the comparable 1945 figure of $123,320—for the first six months of 1946. Net 1945 profit was $321,311 ($320,674 in 1944).

Capital reorganization for the company approved by shareholders on June 13, wiped out preferred dividend arrears ($10.75 a share of Class A and Class B stock at Dec. 31, 1945). The Class A dividend rate was raised to $2.50 a share cumulative from Jan. 1, 1946, which is divided into $1.20 initial rate and $1.30 additional. Class B preferred were given the right equally with the A to a $1.20 preferred dividend. The A preferred will also participate equally with the common. The number of shares remained unchanged at 100,000 shares each of Class A, Class B and common.

The company also made arrangements with the publishers, parties of the Publishers' Trust Agreement and holders of the Class B shares, to extend their present contracts on substantially the same terms as the existing newsprint contracts for a further five years from Jan. 1, 1951, subject to renewal for a further five years at the option of the publishers, conditional upon the reorganization becoming effective and conditional upon amendments being made to the Publishers' Trust Agreement as provided for in an agreement dated Jan. 1, 1946, which has been executed by the publishers. This agreement provides that the trustee for the publishers shall hold the 100,000 Class B preference shares until each publisher shall have received an amount equal to $1 for each ton of newsprint purchased by it from the company during each year in the period commencing Jan. 1, 1946, and ending Dec. 31, 1955, and in the period commencing Jan. 1, 1956, and ending Dec. 31, 1960, if the renewal newsprint contracts are further renewed, whereupon the said shares shall be surrendered to the company for cancellation.

Outstanding 5% first mortgage bonds due 1955 have been called for redemption on Oct. 1, 1946. Funds were obtained from private sale of a new issue of $4,750,000 3½% first mortgage bonds due Aug. 1, 1966, in the United States.

Capitalization, on completion of the financing, will consist of the new bonds, 100,000 Class A preferred shares, 100,000 Class B preferred shares and 100,000 no par value common shares.

Lake St. John

Lake St. John Power and Paper Co. operates a complete pulp and newsprint mill at Dolbeau, on the Mistassini River, just north of Lake St. John, Que., and has equipment for the packing and shipping of bleached sulphite pulp. It has surplus pulp for sale.

Lake St. John is controlled by St. Lawrence Paper Mills, which owns all Lake St. John preferred shares (18,000 shares 6% preferred, each $100 par) and 84,082 shares of the 100,000 outstanding no par value common stock. Newsprint production capacity is in excess of 350 tons a day. The company holds under lease from the province of Quebec 1,857 square miles of timber limits estimated to contain 12 million cords of pulpwood. Saguenay Power Co. supplies the electric power.

Net profit for the year ended Dec. 31, 1945 at $310,898 was up slightly from 1944 and common earnings totalled $2.03 per share ($2.01 in 1944). Dividends on the common ($2 per share) were paid during the year (none in 1944). During the year $850,400 par value of the company's 5½% bonds and $147,900 of 5% debentures were redeemed and cancelled. Capital expenditures amounted to $150,732 having been expended to complete a Flat Dryer and Flat Screen installation for the improvement of the company's sulphite production.

Working capital at Dec. 31, 1945 stood at $3.5 millions, up $8,000 from the preceding year. Notes of the Hearst companies, which amounted to $632,188 at the end of 1944, were reduced to $314,749 in 1945 and are included under current assets. Since that time the balance of these notes has been paid off.

James MacLaren

The James MacLaren Co., wholly-owned subsidiary of MacLaren Power & Paper Co., owns and operates the newsprint and lumbering division of the company with a groundwood pulp mill at Buckingham, Que., and a newsprint mill at Masson, Que.

Annual groundwood capacity is 85,000 tons annually while the newsprint capacity is about 110,000 tons. The company holds under Crown lease about 2,600 square miles of timber limits, all located on the Lievre River watershed and estimated to contain over six million cords of wood, sufficient to supply the requirements of the company's mill for at least 50 years. In 1933 the company formed MacLaren Newsprint Sales to act as its marketing organization.

The company has no bonds or preferred stock outstanding, its capitalization consisting solely of 500,000 shares of no par value common stock, all of which is owned by the MacLaren Power & Paper Co.

For the year ended Nov. 30, 1945 net operating income was $1,037,260 ($1,015,678 in 1944); net earnings were $1,766,411 ($1,694,422 in 1944), while net profit was $779,708 ($452,316 in 1944). Newsprint sales, less shipping expenses, were $4.1 millions in 1945, $3.9 millions in 1944.

Minn. & Ont. Paper

Minnesota & Ontario Paper Co., produces newsprint, groundwood, kraft, sulphite papers, insulite and lumber products in the United States and Canada.

For the first six months of 1946, consolidated net income was $1,004,414 after provision for income tax and other reserves (up 89% from the same 1945 period). Net sales were $14,809,317 ($12,367,355).

Earnings represent 57c. a share as against 39c. for the similar period in 1945. Earnings for the whole of 1945 were $1.15 a common share.

Present program for capitalizing and betterment to its plants and those of its subsidiaries, for 1946 and 1947 contemplates expenditures of over $6 millions. At Dec. 31, 1945, construction in progress amounted to $2,334,887 and the company had made commitments under contracts aggregating $1,250,000.

Last summer's refunding of company debt, reduced over-all interest rate from 5% to approximately 3%, and made available funds to the company for improvement and enlargement of operations and properties.

During the year, the company made a $575,778 offer—subsequently accepted—to buy certain properties and assets of National Pole and Treating Co. This would include assumption of $62,740 current liabilities. Minnesota & Ontario Paper now engages in the pole and treating business, as a division of its operations.

Last June, the company redeemed $2.7 millions of outstanding balance, which together with the $300,000 June 1 maturity will reduce the funded debt to $3 millions. Canadian mills are at Fort Frances and Kenora.

Ontario Paper

The Ontario Paper Co., Thorold, Ont., and its subsidiary, Quebec North Shore Paper Co., at Baie Comeau, are owned by two U.S. newspaper companies, the Chicago Tribune and New York Daily News.

The Thorold paper mill produces over 500 tons of newsprint per day. The pulpwood comes from the company's timberland at Shelter Bay, Franquelin, Quebec, and from Heron Bay, on Lake Superior.

The Baie Comeau mill produces 435 tons of newsprint a day, pulpwood being supplied in the extensive timberland at Lake Comeau. Power for operation of this mill is produced in the company's power plant on the Outarde River.

The company is engaged in an expansion program. Two new pulp plants are being built, one near the present Comeau newsprint plant and the other as an addition to the present Thorold Paper Mill. It is estimated that each addition will cost $1 million, and that each mill will produce 500 tons of pulp per week.

A subsidiary, Quebec and Ontario Transportation Company, operates a line of lake boats on the Great Lakes and the St. Lawrence River, moving pulpwood and other raw materials to the mills and paper and newsprint to New York.

The Thorold company's wartime venture—manufacture of alcohol from waste sulphite liquor—is more than paying off in peacetime markets. The entire annual production

(Continued on page 29)

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KENORA AND FORT FRANCES, ONTARIO
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To Build Prosperity
Canada Must Have
Jobs • Exports • Production

Canada's Pulp and Paper Industry has met in the past — and will continue to meet — these three basic requirements of a healthy Canadian economy.

The Pulp and Paper Industry pays wages to more than 200,000 Canadians annually. Approximately half a million workers in the Dominion are dependent on this industry for their livelihood — either in whole or in part. Every year workers within the industry are paid an estimated $150,000,000 in wages.

The Pulp and Paper Industry provides the red blood cells for the life blood of Canada's economy — EXPORTS. For 15 years before the war Pulp and Paper exports made up from 14% to 24% of Canada's total exports. Significantly, fluctuations in the national income closely follow gross value of Pulp and Paper production. For two decades about 75 percent of the dollar value of paper products have been exported.

Today the Pulp and Paper Industry is working at full capacity and is in a healthy condition financially and productively. In an atmosphere free from industrial strife, the Industry can continue to give Canada the jobs, exports and production she must have.

Donohue Brothers Limited is proud to be an integral part of this foremost Canadian Industry. Currently, the rated capacity of the Company's paper mill is approximately 50,000 tons of newsprint annually. At present the company is proceeding with modern grinders installation. Improvements to manufacturing facilities are under consideration, which will increase newsprint output by 15% and will reduce operating costs materially. Total cost of this planned expenditure is estimated at $475,000.00.

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CHARLES DONOHUE

DONOHUE BROTHERS LIMITED
HEAD OFFICE - QUEBEC, QUE.
MILLS AT CLERMONT, CHARLEVOIX, QUE.

37½% Increase in Production Costs Industry's Case for Higher Prices

(Continued from page 28)

of around 750,000 gallons is being readily absorbed by Canadian manufacturers in commercial concerns whose products range from antifreeze to pharmaceuticals. This process, making use of a byproduct of the papermaking process, is still the only one of its kind in Canada.

Powell River

Powell River Co. is the largest producer of newsprint on the west coast and also, directly and through its subsidiary, is a large manufacturer of sulphite pulp, lumber and other wood products. Through wholly owned subsidiaries the company has complete control of its production from the standing tree to the finished product.

Company's products are consumed principally in the United States, Canada, Australia, New Zealand, Alaska and the United Kingdom. In pre-war years a valuable export market was held in the Orient. Every resource of the company will be fully utilized during 1946 to reach a newsprint output of 220,000 tons, 32,000 more than in 1945, President Harold S. Foley told the annual meeting. Around the second week in May the company was only 1,400 tons behind its schedule. Production of other products will probably be reduced, even though this involves some sacrifice profitwise.

The sulphite pulp objective this year is 40,000 for market, a slight increase over the 1945 total of 38,758 tons. This production schedule has been maintained to date.

Retained net profit for 1945 was $2,027,144 ($2,106,838 in 1944). Working capital at year end was $5,572,648, off about $200,000. Additions to capital assets in 1945 totalled $1,694,460 including $578,416 for paper mill, hydroelectric development and $133,676 for logging equipment and development, $35,000 for timber holdings and $944,228 in connection with Aero Timber Products Ltd.

Progress on the company's diversification development program has been limited because of difficulties in obtaining deliveries of materials and equipment, but much progress has been made in finalizing forward plans in placing orders for equipment. Other changes and developments along the waterfront have been almost completed.

The company has purchased assets of a former Crown Company, Aero Timber Products, consisting of a complete logging operation and a substantial amount of standing timber.

Capitalization consists of 1,612,325 shares of ordinary no par value stock of which 1,344,695 shares were outstanding as at March 31, last year. The old 7% preferred shares and ordinary shares were converted into new ordinary stock in 1945.

Price Bros.

Price Bros. & Co. is a manufacturer of newsprint, unbleached sulphite and groundwood pulp, paperboard and other paper specialties, sawn lumber and other timber products, such as shingles, ties, laths, etc.

The company operates two newsprint machines having a combined annual capacity of some 400,000 tons. The larger of these two mills, at Kenogami, Que., has a capacity of 216,000 tons annually, and the other at Riverbend, about 23 miles from Kenogami, at the head of the Saguenay River, 185,000 tons. The Kenogami mill is also equipped with a cardboard and wrapping paper machine with a capacity of 10,800 tons per annum.

Products from this machine are mill wrappers, screenings board, pulp board, egg case filler board, and imitation leather board. The Riverbend mill, in addition to standard newsprint, produces special vacuum dried newsprint.

The company also owns and operates three saw mills on the south shore of the St. Lawrence River at Rimouski, Matane and Price, with an estimated combined annual capacity of 90 million feet board measure, plus unlimited amount of pulpwood. A box factory is located at Rimouski, Que., with an annual capacity of 1 million boxes. The company operated under lease the Jonquiere Pulp Co.'s cardboard and specialty mill, with 23,000 tons annual capacity.

The company, in its own right or through subsidiaries, owns and controls approximately 7,775 square miles of leasehold crown lands and 232 sq. miles of freehold lands. Major portion of this timber area is located on watersheds tributary to its principal plants on the Saguenay & St. Lawrence. The company has six developed waterpowers with an aggregate of 73,190 h.p. and two undeveloped water powers with a potential capacity of about 60,000 h.p.

In 1945 company net earnings totalled $6.8 millions equivalent to $2.81 per share excluding refundable EPT; $3.37 per share including refundable EPT. 1944 earnings, $1.39 and $2.02 per share respectively. Working capital at the end of the year, $13.2 millions; $14.3 at the end of 1944.

Capital structure has been revamped during the year. The $11.1 millions outstanding first mortgage 5% bonds due March 1, 1957 were called in June at 102¾ and accrued interest. Funds were provided by the sale of $9,835,000 new first mortgage bonds 3¼% maturing serially through June, 1966. Maximum annual interest requirements for the new bonds is $319,637 ($554,075 paid in 1945); Old 5½% preferred stock, of which 56,137 shares were outstanding, par value $100, at July, 1946 were redeemed by a $5 millions issue of new 4% cumulative redeemable preferred stock. Balance of funds required to redeem the old preferred, as well as the old bonds, was met out of company's working capital. Annual dividend requirements on the new stock will amount to $200,000 annually ($309,029 paid out in preferred dividends in 1945).

Quebec N. Shore

Quebec North Shore Paper Co., one of the newcomers to the Canadian paper-making industry, is a wholly-owned subsidiary of Ontario Paper Co. and operates a mill at Baie Comeau, Que.

The company's mill is one of the newest and most modern in Canada being completed in 1938. The company also has a power development at Outardes Falls, which has a capacity of 75,000 h.p. and supplies all of the newsprint mill's power needs.

Quebec North Shore plant has an annual capacity of around 120,000 tons, and the entire output is contracted for by the New York Daily News, one of the McCormick group in the United States.

St. Lawrence Corp.

St. Lawrence Paper is controlled by St. Lawrence Corp., which has an investment in St. Lawrence Paper Mills amounting to 510,639 shares of 514,675 shares of no par value common stock.

Net income from all operations after providing for depreciation, depletion and income tax and including dividends of $274,185 from Lake St. John Power & Paper Co., amounted to $431,460 in 1945, compared with $430,572 in the previous year. The preferred had $3.39 in earning power, the common had a deficit of 65c.

Working capital stood at $4,229,022 at the end of 1945; $4,137,231 at the end of 1944. During the year the company acquired 2,089 common shares of Lake St. John bringing total share ownership to 84,082. In addition, 2,590 shares of company preferred stock were purchased and cancelled. Arrears on the company's 6% preferred stock totalled $69.50 per share on July 16, 1946.

Canada hasn't much paper to spare after U. S. demands are met, but 500,000 tons of it still find their way to overseas markets. Here's a ship being loaded for delivery to a British port.

Capital expenditures in 1945 amounted to $153,306, principal item being $121,979 expended on a flume on the company's Trinity Bay limits to open up new cutting areas on a different watershed. A further sum of $175,000 was expended on the purchase of a freehold limit in the Gaspe district containing pulpwood stands. The company intends to log this area over the next four years and will write off the investment over the same period. St. Lawrence Corp. is one of the two holding companies in the Canadian newsprint industry owning 510,639 shares or 99.2% of the outstanding common stock of St. Lawrence Paper Mills Co., and 298,934 shares or 99.6% of the common stock of Brompton Pulp & Paper Co.

Revenues received in 1945 by St. Lawrence Corp., from subsidiaries, consisted entirely of dividends paid by Brompton on Brompton common stock held by St. Lawrence Corp. Total such revenue was $298,506 against $298,302 in 1944. Cumulative dividend arrears on the class A 4% preferred stock totalled $20 per share on July 15, 1946 and these arrears totalling $5,280,560 must be satisfied before dividends can be paid on the common stock.

Capitalization of the company at Dec. 31, 1945 consisted of 300,000 authorized shares of class "A" 4% cumulative convertible preferred stock, of which 264,028 shares were outstanding; and 2,000,000 authorized shares of common, no par value, with 580,114 shares issued.

St. Lawrence Paper

St. Lawrence Paper Mills Co. produces newsprint at Three Rivers, Que., and has been selling surplus production of groundwood and sulphite pulps.

Newsprint facilities consist of a six-machine balance newsprint paper mill with an annual capacity of 180,000 tons. The company, directly or through its subsidiary, has licenses from Quebec covering 690 sq. miles of timber limits along the Magpie and St. John Rivers, 341 sq. miles along the River du Loup, and 306 sq. miles along the watershed of the Big Trinity, Little Trinity, and Calumet Rivers; also 40 sq. miles of freehold timber limits. These limits are estimated to contain six million cords of pulpwood.

Pacific Mills

Pacific Mills is a leading west coast newsprint producer, and a subsidiary of Crown Zellerbach Corp. Newsprint output was close to capacity during the year ended April 30, 1945.

Besides this ability to turn out large tonnages of newsprint of sulphite and sulphate pulp, the company is equipped to produce about 30,000 tons of wrapping paper and various specialty papers. Last year the company acquired control of Canadian Boxes Ltd. of Vancouver, which specializes in corrugated fibre board and box manufacture. Fibreboard is a derivative of wood pulp produced by Pacific Mills and a close working relationship is expected to exist between the two companies. There is no direct public investment interest in this enterprise.

Spruce Falls

Spruce Falls Newsprint Mill was built by Kimberly-Clark in conjunction with the New York Times in 1926. There has been no direct public interest in the company since its bonds were redeemed back in 1937.

Plant capacity has considerably increased in recent years beyond the previous rate of capacity of 550 tons of newsprint, 440 tons of groundwood pulp, 230 tons of sulphite pulp daily. Output is taken approximately half by the New York Times and the balance by Kimberly-Clark Corporation.

Expansion expenditures during wartime amounted to approximately $1 million. The mill has been augmented with new buildings and equipment, circulating systems and a screen room. Spruce Falls is reported to have another sizeable expansion program in the blueprint stage, details of which are expected soon.

Consol. Paper

Consolidated Paper Corporation is one of Canada's largest newsprint producers, also produces kraft pulp and paper, board and wrapping paper, sulphite pulp and owns and operates sawmill properties.

The mill division of the company comprises: the Belgo Division, Shawinigan Falls, Que.; the Laurentide Division, Grand'-mère, Que.; the Port Alfred Division, Port Alfred, Que.; the Wayagamack, Three Rivers and Cap de la Madeleine, Que.; and the Pembroke Division, Pembroke, Ontario.

The company owns and operates four paper mill divisions with a total annual productive capacity of 784,551 tons of saleable pulp and paper products and a sawmill divi-

(Continued on page 33)

FOR PAPERS OF QUALITY

High Grade

UNBLEACHED SULPHITE

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Internal Combustion Power Operating
Steam Fitting
Gas and Electric Welding
Forging
Sheet-Metal Work
Pipe-Fitting
Millwrighting
Steam Plant Operation
Chemical Engineering
Production Management
Personnel Management
Steam Electric Power Plant Operation
Hydroelectric Power-Plant Operation
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Reading Blueprints
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Individual efficiency must be increased to win post-war competitive markets. To obtain this a reservoir of skilled man power must be created.

Here is how the establishment of I. C. S. Co-operative Training will benefit you and your employees:

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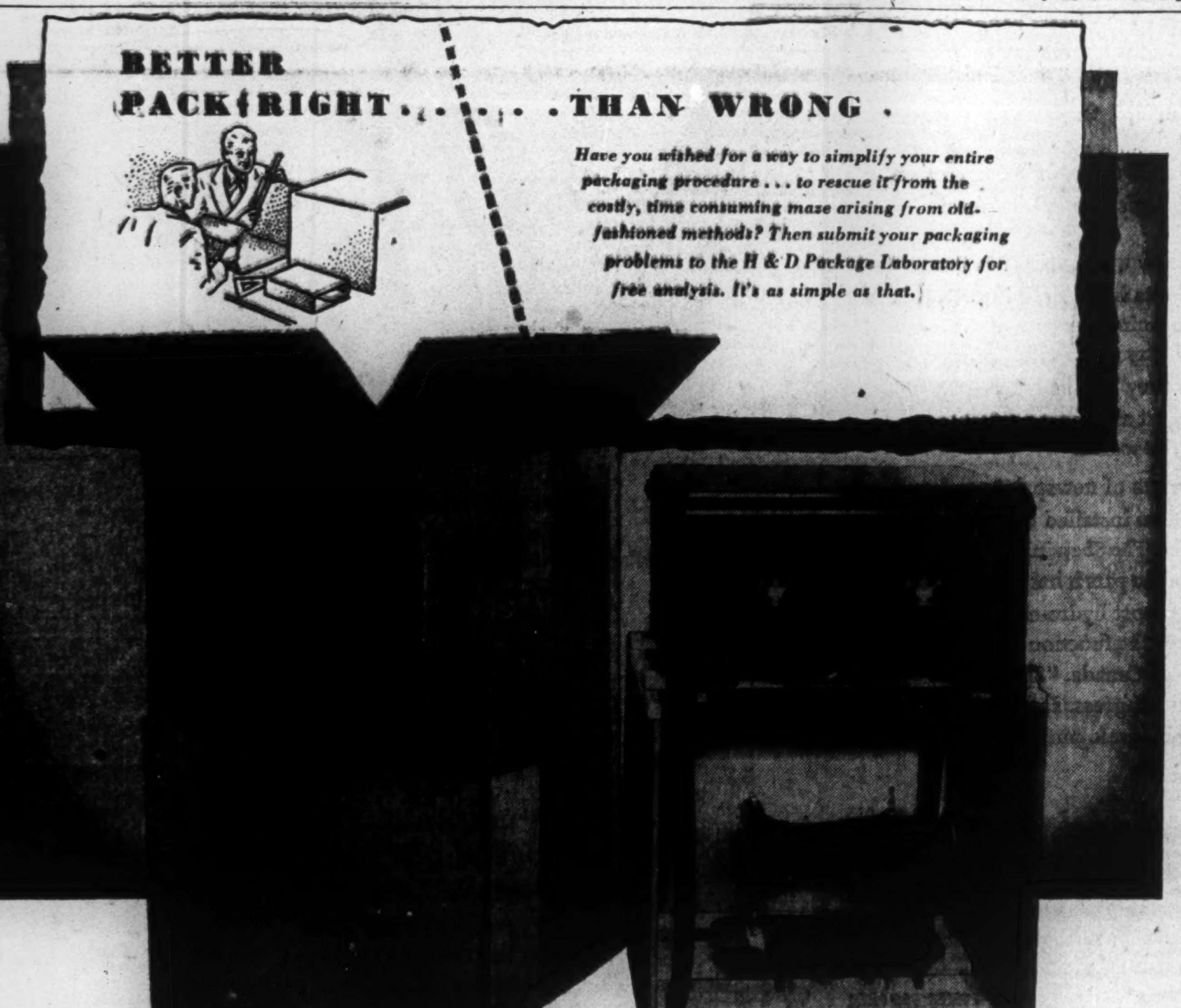

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Have you wished for a way to simplify your entire packaging procedure . . . to rescue it from the costly, time consuming maze arising from old-fashioned methods? Then submit your packaging problems to the H & D Package Laboratory for free analysis. It's as simple as that.

PACKAGE ENGINEERING FOR PACKAGE SIMPLIFICATION

Now—while the box industry is awaiting additional raw materials to meet customers' full requirements—is an especially opportune time to plan your new package design. A corrugated shipping box, properly engineered to your specific needs, assures safe delivery of your products. That is its primary duty. In addition, however, the engineered shipping box reduces handling costs, improves warehousing, curtails complaints, lowers shipping costs, expedites packing and unpacking, and adds advertising value to the product. The H & D Package Laboratory has one fundamental function—*to improve packaging methods.* That it does so is a matter of record. The Little Packaging Library is yours for the asking. Write today, on your letterhead, to Hinde & Dauch Paper Company of Canada, Ltd., General Offices, Toronto.

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MILLS AND FACTORIES ARE LOCATED AT TORONTO • TRENTON • MONTREAL

Expanding Fine Paper Mills Producing 800 Varieties Valued at $32.2 Millions

Production Booming

	No. of Mills	Tons	Value
Book paper	13	59,596	$ 8,221,642
Fine paper	15	54,585	10,817,437
Miscellaneous fine papers	10	12,378	2,105,417
Groundwood printing & specialty	7	27,292	2,446,408
Tissue	12	9,312	2,065,658
Sanitary paper	13	37,220	4,326,112
Special industrial papers	10	8,262	1,099,260
Bleached sulphite & sulphate wrapping	20	7,268	1,133,375
		215,913	$32,215,309

Ranking next to newsprint and paperboard in the total annual value of production are the paper mills producing book, writing, bond, rag and a wide variety of all the better grades of paper. These papers are chiefly made from the highest grades of pulp.

In addition, this section of the industry produces also a wide variety of other papers, including tissues, wrapping paper with a sulphite content and groundwood and specialty papers. The accompanying table lists Dominion Bureau of Statistics production figures for this part of the industry for 1944

It can be ascertained from the table that book and fine paper mills produced 126,559 tons with a value of $21,144,496. In addition these mills also produce a portion of the production listed under some of the other headings.

Canadian book and fine paper manufacturers have steadily increased the number of standard and specialty papers which they produce. They have developed complete lines of printing, business, stationery, writing, blotting and coated papers. They are also producing papers for use in the electrical field and in the manufacture of paper containers, paper cups, napkins, towels, and glassine and greaseproof papers for wrapping foods. Altogether, some 800 varieties of paper and board are now made in Canada.

Vanilla By-Product

An important development in the fine paper industry has been the commercial application of some by-products. One example is the manufacture of vanillin by the Howard Smith Paper Mills from which is made a vanilla extract. This firm is also manufacturing a hard-as-brass material called "arborite"; made from lignin found in wood fibres. During the war when the supply of linen rags from Russia was cut off this company also developed a process for making currency paper, cigarette paper, etc. from flax straw.

Practically all Canadian fine paper mills were developed chiefly to serve the domestic market. Exports of wrapping, book, bond and writing, tissue and toilet paper in 1944 totalled approximately $10 millions. As long as present Canadian tariffs on fine paper products exist paper makers feel they can hold their own in the domestic market.

In the export field, however, Canadian fine paper producers are said to be handicapped since their productive capacity must be spread over a wide range of products; thus making runs of individual items comparatively small and more costly than in U.S. mills. Should the tariff on paper products be subsequently adjusted, fine paper producers hope it will be removed entirely and not just partially lowered. A partial tariff reduction, they say, would put them at a greater competitive disadvantage whereas tariff removal would mean that each manufacturer would concentrate on a limited number of items, thus improving his position in world markets in these specialized lines.

With the present big demand for all types of fine paper products, however, manufacturers here have little immediate export concern. Some manufacturers have exported for a number of years and during the war the Combined Production and Resources Board at Washington assigned to Canada the job of providing for essential needs in New Zealand, Australia, Ceylon, Rhodesia, Middle East Command. These markets which were temporarily served, may, in the future, provide a market for Canadian fine papers.

Alliance Paper

Alliance Paper Mills, controlled by Howard Smith Paper Mills, manufactures bleached and unbleached sulphite pulp, books and litho, registers, writing, envelopes, onion skin and sulphite specialties.

The company owns two paper mills, a sulphite mill and bag mill at Merriton, Ont.; a coated paper plant at Georgetown, Ont.; and subsidiary, Lincoln Pulp and Paper Co. owns approximately 281 square miles of timber adjacent to the Little Cascapedia River, Que. A plant at New Toronto, Ont. formerly operated by Ritchie and Ramsay, used at that time for the manufacture of coated paper, is now dismantled and idle.

Total annual capacity is: two paper mills, 9,000 net tons; pulp mill, 17,500 air dry tons; coating plants, 5,000 tons; bag mill, 9,000,000 flour sacks.

The company was incorporated in 1928 to acquire the entire capital stock of the Georgetown Coated Paper Mills; Ritchie and Ramsay, and Lincoln Pulp and Paper Co.

Through its subsidiary, Don Valley Paper Co., a specialty mill at Todmorden, near Toronto, is also operated.

In 1936, the assets and liabilities of the above three subsidiaries, with the exception of the timber limits of Lincoln Pulp and Paper Co., were acquired by Alliance Paper Mills and the Georgetown Coated Paper Mills and Ritchie and Ramsay were wound up.

Canada Paper Co.

Canada Paper Co., a wholly-owned subsidiary of Howard Smith Paper Mills, manufactures book, writing, wrapping, tissue and other specialty paper. The company formerly operated a newsprint mill, but since Howard Smith Co. assumed control this mill has been changed to other grades. Canada Paper also manufactures bleached and unbleached kraft pulp and groundwood pulp.

The company owns 35,000 acres of freehold timberland and produces 6,000 h.p. from the St. Francis River; a plant at Windsor Mills on the St. Francis River in Quebec includes a sulphate pulp mill; a one-machine paper mill and a converting plant. Four digesters are installed and an additional one has been added giving a daily capacity of approximately 110 tons. The paper machine is a 135 in. fourdrinier machine producing kraft wrapping, manila, litho and tags.

The St. Francis Mills, about a half mile up the river from Windsor Mills has two paper machines, one 72 in. fourdrinier running on envelope, litho, book papers, specialties, etc., and a 156 in. fourdrinier running on kraft rotogravure, book and half tone.

The plants have annual capacities of 12,000 tons kraft and wrapping paper; 9,000 tons of book and specialty paper; 37,000 tons of kraft pulp; 4,000 tons of groundwood pulp; 300,000,000 paper bags and 60 millions shipping tags.

Canada Paper Co. was incorporated in 1925 to acquire the Canada Paper Co. and the manufacturing and trading assets and good will of Kilgour Bros. of Toronto. In Dec., 1926, the company was acquired by the St. Maurice Valley Corp. which purchased the entire common stock on the basis of one share for each share held. In 1928 the Canada Power and Paper Corp. which subsequently controlled the St. Maurice Valley Corp. entered negotiations for the sale of the company's plants and common stock to Howard Smith Paper Mills on a share for share basis. The deal was consummated in July, 1929 and consisted of the issuance of 20,000 common shares of Howard Smith Paper Mills to Canada Power and Paper Corp. in exchange for shares of Canada Paper Co.

Subsidiaries of Canada Paper are Schofield Paper Co. with head office in Saint John, N.B.; Canada Paper "Wholesale," and Kilgour's, both with head office in Toronto. In recent years, Canada Paper has earned its $7 annual preferred dividend requirements with a wide margin. Through extra payments in 1940-41-43 the company cleared up all dividend arrears.

On March 1, 1945 the company redeemed the $125,000 outstanding 3½% first mortgage serial bond issue, due 1945 at 101, and the $700,000 outstanding 4¼% first mortgage bond, due 1952 at 102. Funds for the redemption were provided by the parent company, Howard Smith Paper, which sold early in 1945 a $4,000,000, 3% first mortgage bond issued to provide funds for this purpose and for retirement of Howard Smith old bonds.

Eddy Paper Co.

Eddy Paper Co., an investment and holding company, owns all the issued and outstanding common shares of the E. B. Eddy Co., other than directors' qualifying shares. The company was incorporated June 1, 1946, under the laws of the Dominion of Canada.

The approximate $8 millions required for the purchase of the outstanding common shares of E. B. Eddy Co. by the newly-formed Eddy Paper Co. were obtained, in part, through the sale to the public of 200,000 cumulative convertible, noncallable, Class "A" shares, par $20, of Eddy Paper Co. at $22 per share. The balance came through the issue and private sale of 200,000 common shares of Eddy Paper Co. It is understood that these shares were sold to J. R. Booth for $4 millions.

Capitalization of Eddy Paper Co. consists of an authorized issue of 400,000 Class A shares and 600,000 common shares, of which 200,000 shares of each type of security is outstanding.

E. B. Eddy Co.

E. B. Eddy Co., fully owned subsidiary of Eddy Paper Co. operates an integrated pulp and paper industry with plants on the Ottawa River at Hull, Que., and Ottawa, Ont., producing a wide range of products including specialty and hanging papers, tissue products, paper bags, newsprint and paperboard.

Combined capacity of the plants is approximately 138,000 tons of finished products, including bond and bristol, tissue, waxing, hanging, writing and book papers, paper bags, newsprint and paperboard.

Newsprint operations have an annual capacity of 39,000 tons per year. For use in the manufacture of finished products, the company can produce at capacity, 66,000 tons groundwood pulp per annum, 54,000 tons unbleached sulphite pulp and 24,000 tons bleached sulphite. Converting plants have a capacity of 450,000 cases per annum of toilet paper, serviettes and towels combined and 150 million grocery bags.

At the commencement of 1945 the company leased the plant of J. R. Booth, being the plant at Ottawa referred to above, and purchased the assets of that company in June, 1946 for $5.4 millions, except crown leases and water rights in relation to which an agreement will be entered into between the two parties.

To effect this purchase the company sold publicly $4 millions of first mortgage sinking fund 3½% bonds series "A" to mature June 15, 1946. Balance of the funds were met out of company working capital. The acquisition by E. B. Eddy Co. of the neighboring plant of J. R. Booth is expected to result in increased efficiency in the combined operations through the integration of production facilities and the elimination of duplicate operations.

Upon acquisition of timber limits, leases and licenses of J. R. Booth the company's reserves of timber were increased from about 1,800 sq. miles to over 5,800 sq miles, providing an estimated perpetual yield of 160,000 cords per annum.

The E. B. Eddy Co. also owns a hydroelectric plant located on the Ottawa River at Chaudiere Falls in the city of Hull having a rated waterwheel capacity of 13,500 h.p. and holds rights under which it receives one sixth of the flow of the Ottawa River at Chaudiere. The company also owns two hydro-electric plants, acquired from Booth, having an aggregate capacity of 12,000 horsepower.

Eddy Co. products are distributed through the sales organization in eastern Canada and a branch warehouse at Halifax. In western Canada distribution is handled through agents. Some products are sold by the sales organization in the United States and overseas markets. Over 87% of the newsprint is sold under long-term contract.

Combined profits of E. B. Eddy Co., plus the pulp and paper division of J. R. Booth, for the year ended Dec. 31, 1945, before depreciation, depletion, future depreciation in inventory values and income and excess profits taxes, totalled $1.2 millions, or $671,420 after depreciation and depletion. Operations of E. B. Eddy Co. contributed $874,991 and $580,000 respectively to these totals.

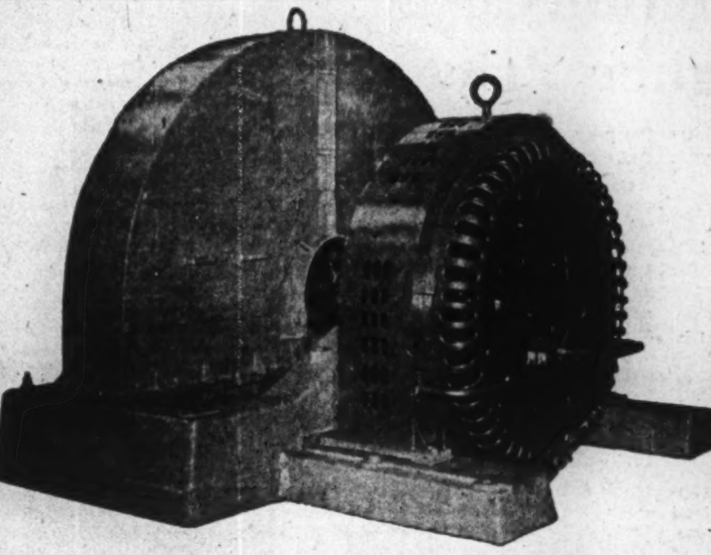
Balance sheet at March 31, 1946 showed current assets of $6.1 millions, current liabilities of $4 millions. Consolidated company balance sheet, giving effect to the sale of $4 millions of bonds and the purchase of certain assets and properties from J. R. Booth Ltd. for $5.4 millions cash, showed current assets of $7.8 millions, current liabilities of $3.5 millions.

Fraser Co's

Fraser Companies makes bleached and unbleached sulphite pulp and lumber products and its subsidiaries manufacture bond and other specialty paper and bleached sulphite in dissolving pulps.

Total tonnage of pulp and paper produced and sold in 1945, was approximately the same as in the three previous years, but sales of lumber products were slightly higher. In 1943, Fraser produced over 65,000 tons of bleached sulphite pulp; 16,106 tons unbleached sulphite pulp; 30,929 tons groundwood pulp; 16,500 tons paper board; 49,550,000 ft. of

(Continued on page 34)



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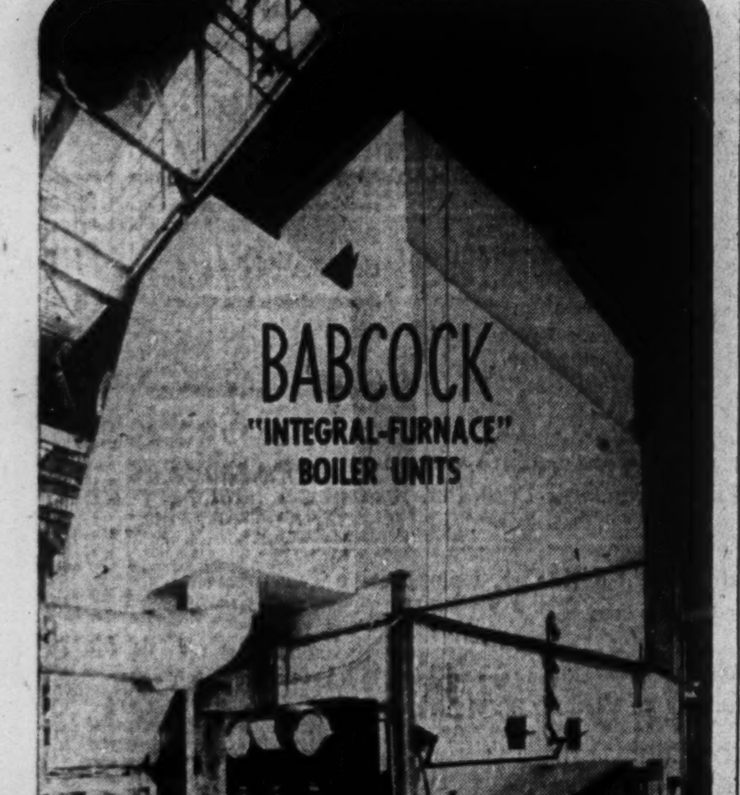

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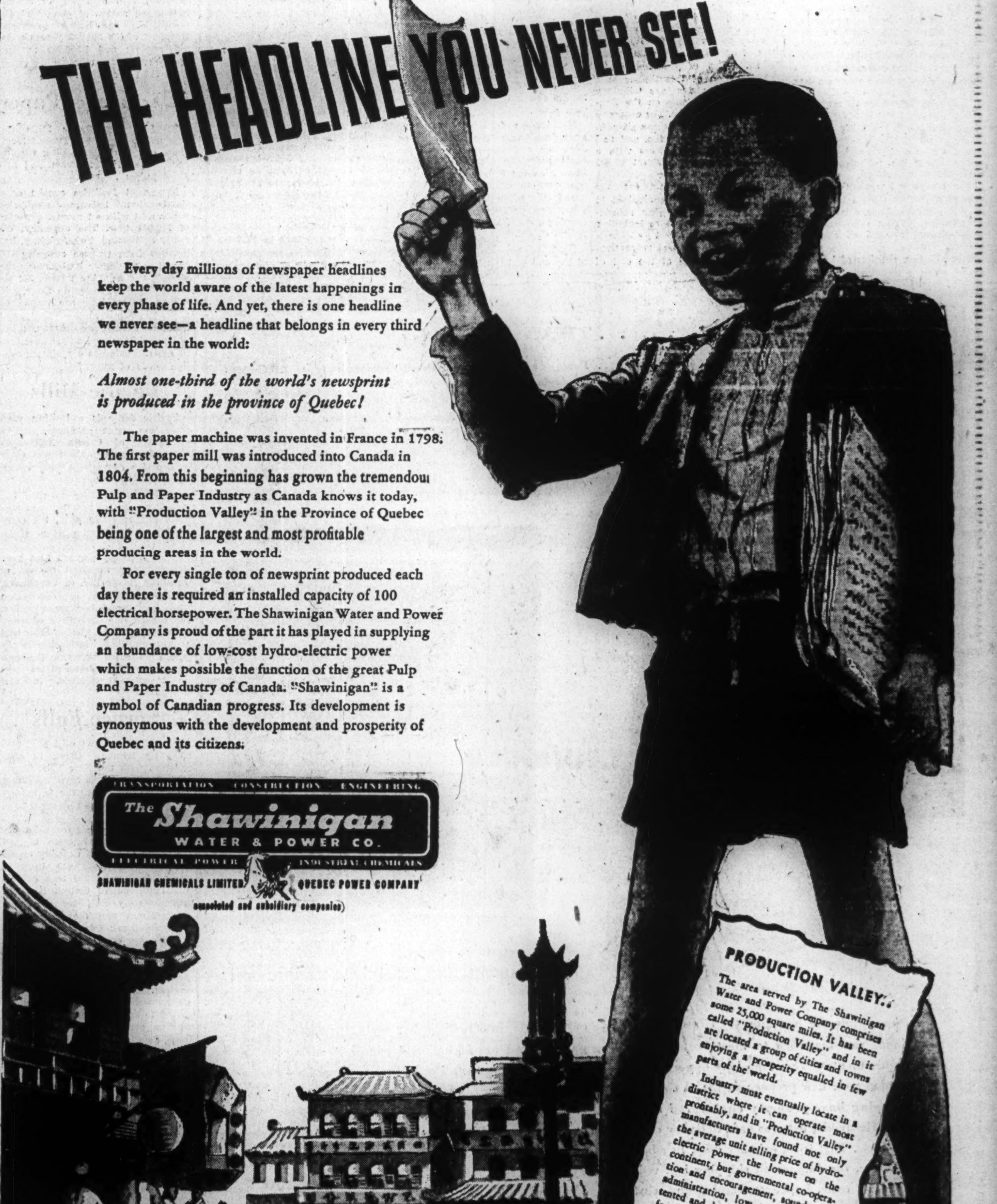
THE HEADLINE YOU NEVER SEE!

Every day millions of newspaper headlines keep the world aware of the latest happenings in every phase of life. And yet, there is one headline we never see—a headline that belongs in every third newspaper in the world:

Almost one-third of the world's newsprint is produced in the province of Quebec!

The paper machine was invented in France in 1798. The first paper mill was introduced into Canada in 1804. From this beginning has grown the tremendous Pulp and Paper Industry as Canada knows it today, with "Production Valley" in the Province of Quebec being one of the largest and most profitable producing areas in the world.

For every single ton of newsprint produced each day there is required an installed capacity of 100 electrical horsepower. The Shawinigan Water and Power Company is proud of the part it has played in supplying an abundance of low-cost hydro-electric power which makes possible the function of the great Pulp and Paper Industry of Canada. "Shawinigan" is a symbol of Canadian progress. Its development is synonymous with the development and prosperity of Quebec and its citizens.

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The Shawinigan
WATER & POWER CO.
ELECTRICAL POWER INDUSTRIAL CHEMICALS
SHAWINIGAN CHEMICALS LIMITED QUEBEC POWER COMPANY
(associated and subsidiary companies)

PRODUCTION VALLEY...

The area served by The Shawinigan Water and Power Company comprises some 25,000 square miles. It has been called "Production Valley" and in it are located a group of cities and towns enjoying a prosperity equalled in few parts of the world.

Industry must eventually locate in a district where it can operate most profitably, and in "Production Valley" manufacturers have found not only the average unit selling price of hydro-electric power the lowest on the continent, but governmental co-operation and encouragement, sound civic administration, low taxes and contented and dependable workers. These factors, and its ideal location, have made "Production Valley" one of the most prosperous and attractive industrial areas in all Canada.

This advertisement is designed to show the importance of the Pulp and Paper Industry to the economic welfare of Quebec Province. It is one of a series dealing with industries located in Quebec's "Production Valley."

The beginning of the end. When the paper web has gone through the machine it is fastened to a core for winding. The finished roll will be cut into smaller ones for shipping.

Demand Grows For Kraft Products Production 50% Higher Than 1939

Kraft paper represents the No. 1 paper shortage in the paper field today; this, despite the fact that about 10 times as much pulp is going into this channel as before the war.

During World War II kraft paper and kraft container board came into their own. Prior to this period the use of kraft was growing steadily but wartime shortages in such materials as steel, tin and lumber projected kraft into uses formerly closed to it. To the extent that kraft is stronger, lighter, cheaper and more easily used, its permanance in these fields, now that peace is here, is virtually assured.

Chief kraft products are wrapping paper, paper bags and multi-wall sacks. A trend toward increasing use of three- and four-ply paper bags as shipping sacks for a great variety of commodities is largely responsible for current tightness. Cement, fertilizer and many food products are being transported in this way today. To ensure sufficient supply of these kraft bags for such high priority industries as construction and food processing, WPTB officials have cut retailers' use of chief kraft products —paper bags and wrapping paper—to 65% of 1943's quota.

Current shortages in jute and cotton bags, and relative costliness compared with multiwall bags which can be discarded after use, are main factors in increasing stress on multiwall bag production today.

Production bottleneck is one of lack of sufficient pulp and paper machinery rather than any temporary disruption in kraft making process. There is a huge expansion program on today to increase substantially Canada's kraft paper capacity. Much of this program will represent completely new mill units. Some of the increased capacity, however, will arise from adjustment of old newsprint machines to kraft-making process. This shift will be particularly noticeable, officials say, as the later type newsprint machines become more available.

Though faced with broad demands for their products, kraft producers, in common with newsprint and other sections of the pulp and paper industry, have had to contend with rising costs. In April of this year price increases of 7½% on boxboard and 10% on kraft liner and corrugating boards were made, temporarily removing the squeeze on profits. Producers say, however, that a proper balance does not yet prevail between costs and selling prices.

Canadian production of kraft pulp last year totalled 479,166 tons, highest on record and up 187,100 tons or 50% from 1939. Of total production, 250,023 tons were made by mills for their own use; 46,058 tons were produced for sale in Canada, and 183,085 tons were exported. Comparable 1939 figures were: 154,755; 32,514 and 104,797 tons respectively. In 1945 the U.S. imported 147,800 tons of Canadian kraft pulp, or 80% of Canadian exports; balance went largely to the U.K. (26,085 tons); Australia (4,995 tons); New Zealand (1,059 tons), and Brazil (979 tons).

J. R. Booth

J. R. Booth Ltd., with mills in Ottawa and with an annual paper capacity of some 35,000 tons was leased by the E. B. Eddy Co. at the beginning of 1945. Several months ago the assets of J. R. Booth, excluding leases of Crown land and water rights, were purchased by E. B. Eddy Co. for $5.4 millions cash.

Brompton

Brompton Pulp & Paper Co. Ltd., directly and through subsidiaries, manufactures groundwood pulp, newsprint paper, kraft pulp and paper, kraft linerboard, manila and fibre papers, fine bond and other papers, boxboard and lumber.

A St. Lawrence Corp. subsidiary, Brompton owns and operates two board and two kraft machines and one newsprint machine at East Angus, Que., and one newsprint machine at Bromptonville, Que. Combined annual capacity is approximately 62,100 tons newsprint, 24,000 tons of kraft paper, 31,000 tons of kraft board and 20,150 tons of boxboard annually. At Red Rock, Ont. the company has a kraft linerboard mill with a capacity of 75,000 tons annually and a 12,000 ton per annum groundwood pulp mill at Nipigon, 12 miles from Red Rock.

At East Angus, where mass production grades are impracticable due to pulpwood scarcity it is proposed to limit the mill to paper grades, thus reducing wood requirements from the present 136,000 cords yearly to some 85,000 cords. At Bromptonville, it is proposed to produce groundwood pulp alone. Fire in the pulpwood pile at East Angus last fall destroyed about 30,000 cords of pulpwood in inventory there, and affected operations considerably.

Net earnings for 1945 were down 13.7% from 1944 but earnings per share dropped only slightly from $1.032 in 1944 to $1.025 in 1945, due chiefly to a reduction of $154,348 in depreciation and depletion charges. For the four months ended April 30, 1946, excluding interest on secured term notes and portion of bank loans to be repaid, net earnings were $254,207, with $120,772 available after depreciation and depletion.

Commercial production at the Red Rock mill was begun on Jan. 1 . . . at a loss for the first two months. A small profit was earned on March operations, it was announced, and with increases in the prices of pulp and paper products, the company expects improvement as the year progresses.

Consolidated company balance sheet at April 30, 1946 showed current assets of $5.4 millions with $3.2 millions liabilities. Bank loan of $2.1 millions, since reduced to $1.7 millions, was included under current liabilities.

Bathurst Power & Paper

Bathurst Power & Paper Co. Ltd. formerly operated a newsprint machine at Bathurst, N.B. with a daily rated capacity of 80 tons. On Jan. 1, 1944, however, this machine was turned over to the production of kraft liner and corrugating boards at the request of the Government. No newsprint has been manufactured there since 1944.

During the past two years overall production at Bathurst, N.B. has been increased 10,221 tons or a gain of about 10%. Increased output has resulted from capital expenditures totalling $1¼ millions since 1941. Earnings statements of Bathurst Co. now reveal the earnings of its two subsidiary shipping containers companies to the extent of dividends received by the parent company.

Somewhat more manpower was available for woods operations during the season 1945-46 resulting in a somewhat greater volume of pulpwood, it is understood.

Kalamazoo Parchment

Kalamazoo Vegetable Parchment Co., Kalamazoo, Michigan, this summer commenced operations in its large Espanola, Ont., kraft mill. Output of bleached sulphate is reported around 200 tons a day.

The American company is investing about $5 millions in building and equipping the new sulphate mill complete with wood rooms, boiler house and water filtration plant. Existing buildings will accommodate screens and bleaching plant. In the rebuilt former power house are being installed a new vertical electric generator and an electrolytic plant for production of chlorine and caustics. The company is providing $2 millions for woods equipment and working capital, a total project of $8 millions. The American company purchased the old Abitibi Power & Paper Co. plant at Espanola for $1 million.

Total sulphate output will be shipped for processing into paper at the Kalamazoo plant. Management and operating personnel will be all Canadian, except two or three keymen moving from Kalamazoo.

Marathon Paper

Marathon Paper Mills of Canada has made rapid progress on construction of its $15 million kraft pulp mill and townsite at Marathon, Ont., approximately 180 miles east of Port Arthur on the north shore of Lake Superior.

The mill was scheduled to get into production this summer, employing 350 men and producing 300 tons of kraft pulp daily. The pulp is to be shipped by lake and rail to the company's mill at Rothchild, Wisconsin, for manufacture into paper for packaging cartons, paper towels and similar products.

In co-operation with the Dominion Government the company has entered into a rehabilitation program to place returned servicemen into jobs and provide accommodation for servicemen's families in the company town at Marathon. Along with the "woods" division the project is expected to employ 1,500.

To operate to capacity 180,000 cords of wood will be required annually from the company's ample timber limits in the Pic River district and from Beardmore and Hearst.

Wayagamack

The Wayagamack Division of Consolidated Paper Corp. is an important producer of kraft paper, besides contributing surplus kraft for sale.

The company has six kraft machines at Wayagamack and five newsprint machines, of which two are operating. Combined capacity at Wayagamack, on a daily basis, is 150 tons of kraft paper, 20 tons of board and wrapper, 83 tons of kraft pulp available for sale and 463 tons of newsprint.

In 1942, under Government regulation, production of newsprint by the Wayagamack division was discontinued, and the five newsprint machines were changed over to production of other pulp products. Two are now producing newsprint.

Consolidated paper does not re-

(Continued on page 32)

H. G. Acres & Company

Consulting Engineers

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Analytical Studies, Reports and Valuations.

Design, Specification and Engineering Supervision of:—

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Water Supply Plants

Industrial Buildings

Backbone Of Our Economy

In peace, as in war, pulp and paper production contributes bulk strength to the Canadian economy.

In its contribution to Canada's export trade, however, the Pulp and Paper Industry plays its most significant and important role.

Here is the Export record of the Industry for the first seven months of 1946:

1. With total Canadian exports (excluding gold) decreased in value by 37.5 percent from the corresponding period of 1945.
2. Pulp and Paper exports were 26.7 percent higher at $217,700,000.
3. Export of Pulp and Paper products were 8.6 percent of total Canadian exports during January — July, 1945; they were 17.4 percent of total Canadian exports in the corresponding period this year.

The full impact and significance of this record becomes readily apparent when it is realized that one out of every three dollars of Canadian income is derived from our export trade.

This Space Contributed by a Member of Canada's Newsprint Industry

Price Brothers & Company, Limited

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Newfoundland & Labrador constitute one of the largest remaining sources of pulp timber in the world.

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Great natural wealth together with unlimited power will ensure successful economic development and continuity of operation.

GREAT NATURAL WEALTH UNLIMITED POWER—OPPORTUNITY

AWAIT THOSE WHO HAVE THE FINANCIAL MEANS AND THE POWER OF INITIATIVE TO AVAIL OF THEM.

Broad Improvement Indicated In 1946 Pulp, Paper Earnings

Stock and Bond Value Trends

Extent of market fluctuations in prices of pulp and paper securities is indicated in the following representative list of junior securities:

	1946	1945	1942
Abitibi common	18		
Bathurst A	12	19	11½
Consolidated Paper	18½	10	1⅝
Dryden	15¼	10¾	4
Donnacona	17	12¾	2¼
Fraser	58	43	7½
Howard Smith	30	23½	8½
Price Bros.	56	37	7
St. Lawrence A	30	26	9¾
St. Lawrence Paper Pfd.	101	65	24½

Comparative price changes of the more actively traded pulp and paper bonds follow:

	1946	1945	1942
Abitibi 5s	101	112½	57½
B. C. Pulp 6s	101	106	89
Brown 5s	101	101	76½
Consolidated 5½s	101	106½	62½
Donnacona 4½s	101	102½	75
Great Lake 5s	103	108½	91
Lake St. John 5½s	103	102½	78

MONTREAL (Staff)—Pulp and Paper securities traditionally set the pattern in Canadian security prices. On the downside they normally fall fastest: on the upside they consistently record greater percentage gains than any other group of securities.

This pattern has been followed in the market activity of pulp and paper securities to date this year. Reason for this volatility in these stocks is the fact that they possess greater "leverage" than perhaps any other type of security.

It has been estimated that it would cost approximately $60,000 per ton of daily capacity to establish a newsprint mill at today's prices, assuming that timber limits were available. This figure includes an estimated $10,000 per ton of daily capacity for working capital. This is quite a heavy capital expenditure when compared with similar investments in other types of industries.

Because of this large capital investment, a pulp and paper company normally has a relatively heavy capital structure ranking senior to equity capital. Earnings must first be applied to meet such fixed charges as bond interest, depletion and depreciation before the common stockholder receives any return on his investment. At low levels of operations these fixed charges per ton of operation may conceivably be so heavy as to leave little, if anything, for the common stockholder, particularly if depressed production coincides with a low level of market prices for pulp and paper products. But in times of active security markets and good pulp and paper prices, earnings accrue to the common stockholder at a progressively faster rate than for companies where preferred share capital and funded debt is relatively light—once these fixed charges have been met.

Stocks Move Ahead

The record of the pulp and paper security price index through July of this year has shown this leverage factor at work. Stocks of pulp and paper companies have moved ahead percentagewise at a faster rate than any other group of stocks listed on the Montreal Stock Exchange. While the index of pulp and paper securities was registering an 82% price increase for the year ended July 31, 1946 other listed groups fell behind this upswing. The Montreal stock index of industrials went up 36% in the same period of time: the utility index showed but a 10% improvement while the average of 30 combined stocks had only a 31% market appreciation in the same period.

Only a few Canadian companies in the pulp and paper field report earnings quarterly so that results of this year's operations won't be finally known until the fiscal year end reports are published. But certain trends have already been revealed and point out which way company earning power this year has been going.

More details are available in quarterly statements released to date this year by U. S. companies with Canadian subsidiaries in the pulp and paper field. The two companies reporting show large expansion in sales, larger expansion in distributable net in the first six months of 1946 over the corresponding 1945 period. On an increased volume of sales, International Paper Co. reports a 160% increase in consolidated net profits. Though not showing quite the same strides, Minnesota & Ontario Paper Co. shareholders had nothing to be ashamed of when their company reported six months consolidated net income 89% higher than in 1945. A large part of the growth in distributable income in these companies is accounted for by the record levels at which the industry has been consistently operating this year and the fact that newsprint prices were increased $6 per ton on Jan. 1, and wood pulp prices 10% in April. Part of the increase is undoubtedly due to the repeal of EPT in the United States at the end of last year, an income boon denied Canadian companies. Only Canadian company to report six months operations to date, Brompton Power & Paper Co. shows net profits at $294,523 against $176,002 in the corresponding 1945 period, a boost of 67%.

Better Reurn Expected

It is generally conceded that 1946 earnings for the Canadian pulp and paper industry will show broad improvement over 1945 and will give the industry a better return on the investment value of its properties and woodlands than in many years. In 1945 the industry had net profits amounting to only 5.5% of net worth, an improvement from the previous year but still the lowest in Canada with the exception of the utilities and transportation. While it is yet too early to tell just what the 1946 ratio in this respect will be, it is not too much to expect a good improvement over 1945, despite EPT, most analysts agree.

There is unanimity of opinion on the fact that gross pulp and paper earnings this year will undoubtedly be the highest on record. Not alone is the industry producing more pulp and paper products than ever before, it is realizing higher prices for its output than at any time in some 20 years.

In newsprint the industry was receiving $67 per ton U. S. funds, f.o.b. New York for its first half 1946 output: for the last six months of this year (assuming no further price increase) it will receive $74 per ton. In wood pulp the situation is somewhat the same. Prices were increased 10% across the board on all types of wood pulp when the Canadian dollar was brought to parity with U. S. currency and though the new prices haven't been officially approved as yet by OPA, every indication is that they will be, retroactive to the time they were put into effect by the industry last July. Actually, however, second half year prices, if they remain unchanged, won't net the industry any more than first half year prices considering the 10% "bonus" on U. S. funds the industry received while the Canadian dollar was selling at a discount in New York.

Not Overpriced

Here is what a Canadian mill with surplus wood pulp for sale will receive a ton for its market pulp in the second half of this year (assuming no further price increases except the pending one to correct dollar parity):

Bleached sulphite, $103.40; unbleached sulphite, $90.20; bleached sulphate, $103.40; unbleached sulphate, $83.60 and groundwood pulp, $63.80.

Despite these observations on earning power—that gross earnings will reach record levels, that net earnings will be higher than in 1945—the market prices at which pulp and paper securities are selling are not overpriced in terms of present and immediately prospective earning power, most observers agree.

In terms of earning power throughout the balance of the year, some observers say that present prices are low pointing to the hidden earnings factor amounting to 10% of the selling price of pulp and paper which most mills have realized on their forward U. S. dollar sales. It is understood that most mills covered their dollar requirements by selling U. S. dollar futures to the Foreign Exchange Control Board up to six months in advance thus realizing a 10% profit on exchange transactions when dollar parity was established.

On the basis of the cost of replacing pulp and paper mills at the present time, there is substantial agreement among experts that present security prices are on the low side. However observers don't emphasize that fact too strongly since it is admitted that earning power is what determines the level of security prices in the last analysis.

However, this much appears certain. Whichever direction the market goes, pulp and paper stocks may be expected to pace the field. If a downtrend is established, the leverage factor will undoubtedly carry their securities down faster than other groups. If a bull market is re-established, the paper stocks may be expected to show better than average gain.

Demand For Kraft Grows

(Continued from page 31)

port individual operations separately, but on a combined basis, hence it is not possible to determine what contribution the Wayagamack division makes toward total operation of the corporation.

Sorg Pulp

Sorg Pulp Co., a wholly owned subsidiary of the Sorg Paper Co. of Middletown, Ohio, manufactures unbleached kraft pulp. The company before being taken over by the American company was called Vancouver Kraft Corp. The Canadian mill at Port Mellon, B.C., supplies the unbleached kraft requirements of the parent company and also exports to overseas markets.

Output of the mill has been gradually increased over four years and equipment is now being installed, or in the course of manufacture, to place the mill on a basis of 150 tons per day in addition to the manufacture of 50,000 f.b.f. per day of high-grade lumber. It is estimated that present expansion and modernization program will cost $1.5 millions.

The company was purchased by the Sorg Paper Co. of Ohio in 1941. There is no public share interest at present.

Long Lac Pulp

Long Lac Pulp and Paper Co. is a new $15-million to $18-million Canadian project of the Kimberly-Clark Corp. of Neenah, Wisconsin. It will represent the largest undertaking of the U. S. corporation in the last 20 years.

Approximately 1,000 men are now engaged in the Long Lac project, and this number is expected to be doubled by next year. A community plan contemplates churches, schools, a hospital, police and fire stations, public library, in addition to permanent homes, now being constructed for the new chemical pulp mills work force. The plant is expected to go into operation in the autumn of 1948.

GOTHIC GOLD MINES plans to start diamond drilling its new find in Duverny twp., Que., within the next few days. The showing, located in diorite, has been traced for 1,000 ft.

DONNACONA PAPER COMPANY
LIMITED

Woodpulp and Sulphite Pulp Mills
Newsprint - Donnacona Board
and other Pulpwood Products

The mill is located on tide-water on the St. Lawrence River at the mouth of the Jacques Cartier River affording excellent water transportation.

The Company's timber limits, excellently located in relation to its plant, contain over 4,250,000 cords of wood.

The Company also owns valuable water powers, developed and undeveloped, situated within a few miles of Donnacona.

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85,000 Tons Newsprint
96,000 Tons Groundwood Pulp
45,000 Tons Sulphite Pulp
75,000,000 sq. ft. Insulating and Building Board

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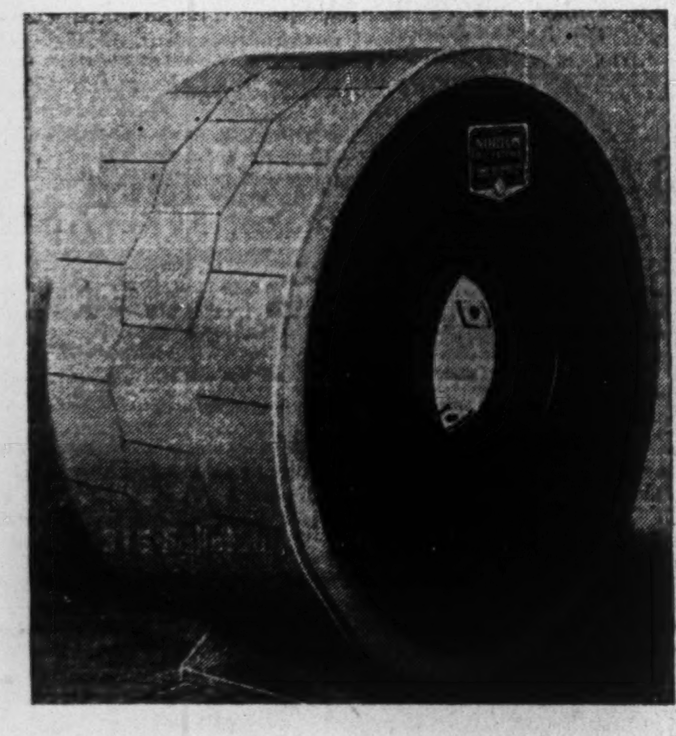

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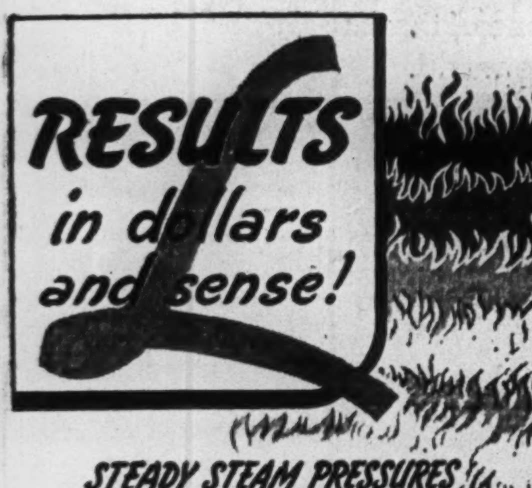

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*Name on request.

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Though big fellows like this Synchronous Grinder Motor are not in constant demand, English Electric builds them for other Pulp and Paper Mills and can build them for you. Perhaps even more important is the fact that hundreds of smaller English Electric motors are continually taking up a larger share of the Industry's load.

Just now many customers seem to place delivery ahead of other factors, such as quality and service. But no matter how strong the pressure for delivery, it is a firmly rooted principle with English Electric that no short cuts that might impair quality shall be permitted.

Until an abundant supply of materials is available, it is virtually impossible to give the speedy service associated with the English Electric name. In the meantime all orders are treated strictly in rotation, due regard being given to the urgency of specific requirements in the public interest. To serve your own interest best, discuss your future requirements now with the nearest English Electric office.

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Maritimes' Daily Newsprint Capacity Cut to 964 Tons Due to Plant Switch

Only two of the three newsprint mills in the Maritimes are now producing. The two are Mersey Paper Mill at Brooklyn, Liverpool Harbor, N.S., and New Brunswick International Paper Co.'s plant at Dalhousie, N.B.

Originally organized primarily as a newsprint company, Bathurst Power and Paper has produced no newsprint since Jan. 31, 1944. At that time the Wartime Prices & Trade Board instructed the company to free its newsprint facilities to augment production of kraft liner and corrugating board, then in short supply. Still in short supply, it is understood the Bathurst Co. will continue to keep its machines on the production of these products, at the expense of newsprint.

Because of locations on tidewater, both Maritime mills have the advantage of lower cost water transportation, giving lower freight costs per ton.

Bathurst Power & Paper

Bathurst Power & Paper Co., originally organized primarily as a newsprint company, now ranks as one of Canada's leading producers of kraft products, unbleached sulphite and boxboard. In 1945 the company produced no newsprint.

Last year the company produced at its Bathurst, N.B., plant the following tonnages of pulp and paper products (1944 figures in parentheses): kraft products (liner and corrugating board) 69,786 (65,829); unbleached sulphite, 24,265 (22,656); boxboard, 20,676 (20,542). No newsprint or miscellaneous specialties were manufactured in 1945 (622 tons in 1944).

Dollar volume of sales in 1945 rose to $8 millions ($7.5 millions). Net 1945 earnings, after crediting $55,000 from the reserve established in 1944 to meet the higher cost of restoring the pulpwood inventory to normal volume, were $377,778 ($380,450 in 1944).

For the first half of 1946 net earnings before depreciation, depletion and Dominion income and excess profits taxes were $724,516 ($537,572 in 1944) and net profits totalled $294,523 ($176,002). On a per share class A basis, earnings were 74c. (44c.). This increase in profits came about very largely in the second quarter, reflecting the basic increase in selling prices on the products of the company made effective April 1, 1946, by WPTB. At that time increases were given amounting to approximately 7½% on boxboards, 10% on kraft liner and corrugating board, and $10 a ton on sulphite pulp.

Capital company expenditures last year on properties were $320,093. In October, Shipping Containers Ltd. of Montreal was acquired; in Feb., 1946, Kraft Containers Ltd. of Hamilton, through purchase of the whole of the outstanding capital stock of both companies. These plants manufacture corrugated shipping containers and similar products from kraft liner and corrugated board. They are outlets for Bathurst kraft liner and corrugating board and their acquisition represents an important step in the policy of broadening the field of related activities.

Demand for company products exceeds supply. Although second quarter 1946 earnings were most promising, a 10c. per hour increase in wage rates was made effective July 1 and as a consequence, the company states that further increases in selling prices are fully warranted. Assets at June 30, were $5.3 millions, liabilities $2.8 millions. At Dec. 31, 1945, the company employed 935 persons (excluding woodlands seasonal employees).

Mersey Paper Co.

Mersey Paper Co. operates a mill containing two high-speed paper machines with a newsprint capacity of about 320 tons daily. The company also has the necessary groundwood and sulphite pulp facilities.

Company plant has facilities for both rail and deep water shipment throughout the year. Besides newsprint, properties consist of a groundwood mill, equipped with direct connected motor-driven magazine grinders, and a three-digester tower system sulphite mill. The company owns freehold timber lands estimated to contain approximately 1.8 million cords of pulpwood. An additional supply, estimated at 1.5 million cords, will be made available through 1958 through licenses on Crown lands, to be selected by the company under agreement with the Nova Scotia Government, the amount to be increased to a minimum of two million cords should the company install a third machine.

A further gain in both consolidated gross and net earnings was shown for 1945. In addition to a gain of approximately $141,000 in gross profits, fixed charges by way of interest charges on funded debt and loans were cut from $216,735 to $138,336 due to refunding carried out in 1945. Net profit for 1945 was $9.02 on the preferred and $1.17 on the common, against $6.12 on the preferred stock and 21 cents on the common in 1944.

Working capital at year-end was $2.3 millions ($2.9 millions a year before). Funded debt was carried in the balance sheet at $2 millions, down $2.8 millions.

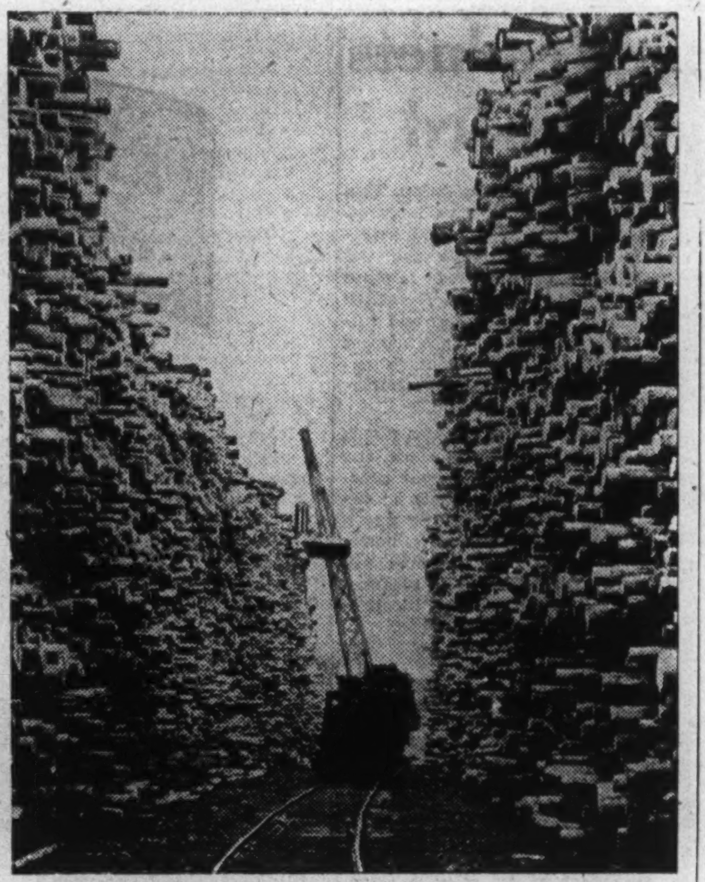
N. B. Int. Paper

New Brunswick International Paper Co., a wholly owned subsidiary of Canadian International Paper Co., produces pulp, newsprint and wrapper paper at its large paper plant at Dalhousie, N.B., on the Bay of Chaleur.

In 1945 the Quebec Government granted the company full ownership on 122 acres in Matapedia County and cutting rights on 714 acres in Casault and Blais townships.

The mill, constructed in 1930, is equipped with four paper machines with an aggregate daily capacity of about 644 tons of newsprint (199,640 tons annually on 310 days basis). It also has a wrapper machine, daily capacity about 24 tons. The mill is fully equipped to produce all its own regular pulp requirements. Steam and electric power are purchased from Gatineau Power Co. and at times this power is supplemented by utilizing steam to generate electricity with company's own turbine.

Entire capital stock of the company was acquired early in 1932 from International Paper Co. New Brunswick International was organized in 1928, originally to operate timber and to construct and operate a paper mill. Since operations and earnings are consolidated with those of the parent company, Canadian International Paper, no details are available.



Stockpiles like this used to be normal in Canada's pulp and paper mills, but only the fortunate have such supplies on hand today. Difficulty in securing labor to cut wood plus heavy backlog of orders has reduced mill inventories to a record low this year.

Newsprint

(Continued from page 29)

sion having an annual capacity of 16 million feet of lumber. The pulp and paper annual productive capacity at present consists of 648,900 tons of newsprint, 47,586 tons of kraft paper, 24,102 tons of kraft pulp, 49,440 tons of sulphite pulp and 14,523 tons of cardboard. The company has 24 newsprint machines, six kraft paper machines, one cardboard machine and two pulp-drying machines.

Timber limits extending 17,874 square miles are located in Quebec and Ontario and have been estimated to contain 54 million cords of pulpwood. The company purchases power for the operation of its mills on favorable long-term contracts from the system of the Shawinigan Water and Power Company and the Saguenay Power Company Limited. The company also owns and operates two small hydroelectric plants, one at Grand Baie in the County of Chicoutimi and one at Les Estoumains in the County of Saguenay.

Total shipments of the company's pulp and paper products in 1945 exceeded 580,000 tons, comprised of 432,200 tons of newsprint, 46,800 tons of kraft paper, 22,500 tons of kraft pulp, 66,400 tons of sulphite pulp and 13,700 tons of cardboard. It is estimated that total shipments of pulp and paper products in 1946 will exceed 680,000 tons.

Despite increasing costs, net earnings in the year ended Dec. 31, 1945, increased to $10,500,000 from $10.1 millions in the previous year. Net profit in 1945 reached the record amount of $1.8 millions, up $681,100 from 1944. Earnings per share amounted to $0.70 in 1945 against $0.43 in 1944, after deducting a special $500,000 special reserve against possible decline in inventory values in 1944, the equivalent of $0.20 per share.

Profits available for bond interest and depreciation in the six months ended June 30, 1946, amounted to $8,014,717, against $10,616,309 in the full year 1945.

Net working capital rose during 1945 by $1.3 millions, from $25.8 millions to $27.1 millions, after taking care of capital expenditures of $741,643, maintenance of $1.7 millions and redemption on March 1, 1945, through sinking fund of $1.6 millions of first mortgage bonds and Sterling registered debenture stock. This reduced the amount outstanding to $42.2 millions, further reduced to $40.7 millions as at March 1, 1946, by a further sinking fund operation of $1.5 millions.

Only recently the company entered into arrangements with financial houses to refund its outstanding bonds and debenture stock through an issue of $35 millions of 3½% 20-year bonds with $6 millions of the bonds outstanding being paid off from working capital. As a result of this refunding operation, the annual bond interest charges will be reduced from $2,271,741 annually to $1,225,000. Net current assets, which stood at $29.6 millions as at June 30, 1946, will be reduced approximately $6 millions by this financing.

According to the company's prospectus, the company's pulp and paper products are exported approximately one half to the United States, with considerable products being sold and used in Canada. The balance is distributed to established markets in Great Britain, Eire, South Africa, Australia, New Zealand, the West Indies, China and India. Other export destinations are Mexico, Argentine, Brazil, Uruguay, and Chile.

The company also announced earlier in the year its intention to resume wood-cutting operations on its Anticosti limits. Containing an estimated 15 million cords of pulpwood, plans call for an annual cut of 200,000 cords. Since the island is held by the company in full freehold ownership, there are no stumpage duties to pay as in the case where wood is cut on Crown land. However, the wood cut on Anticosti will be subject to a tax of $0.15 per cord, a levy imposed by the Quebec Government at its last legislature session when an educational fund was created. Understood to be high cost pulpwood, operations at Anticosti were made possible by increased 1946 prices for wood pulp and newsprint.

Wholly owned subsidiaries of the company are Anticosti Shipping Company, which owns and operates tugs, barges and other vessels; and St. Maurice Valley Paper Company, which markets and distributes the products of the corporation.

Pulp, Paper Publication

MONTREAL (Staff)—An important contribution of the Canadian Pulp and Paper Association has been the publication of a booklet entitled "Pulp and Paper, Facts and Figures." Published earlier this year the booklet's value lies chiefly in the fact that for the first time all the facts and figures relating to the pulp and paper industry have been assembled in one volume.

"Facts and Figures" is divided into four sections—a general summary which deals with the national significance, history and war record of the industry, and sections entitled Effects, Operations and Statistics.

The value of the section on statistics alone to association members would probably have warranted publication of the booklet. Dominion Bureau of Statistics figures have been assembled in this section in logical sequence, thus making reference work easy. The booklet is designed primarily for members of the trade.

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In The Production of
PULP AND PAPER
Maintaining
46 MILLS

WOODPULP PRODUCTION IN 1945 3,279,877 TONS
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In Both Instances Greater Than 50% Of All Canada

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All people of Quebec share in the ownership of such valuable assets. Everybody must then lend his generous support to keep our forests productive and safe from possible damages from their natural enemies.

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PULP AND PAPER MILLS
LIMITED

Manufacturers of
NEWSPRINT PAPER AND SULPHITE PULP

CORNER BROOK,
NEWFOUNDLAND

Domestic Demand Grows for Fine Paper Products Dollar Value Next to Newsprint and Paperboard

(Continued from page 30)

lumber; 3,650,000 ft. laths; 1,413,000 ft. of veneer logs; 53,965 sq. ft. of shingles; 37,486 railway ties.

Division of wood pulp from the company's paper mills in Madawaska, Maine, to other consumers, by direction of the United States War Production Board, was not in effect during the last quarter of 1945.

Price increases effective last April 1, for certain pulp and lumber products will provide substantial added revenue. Soft wood lumber prices were increased 8% and pulp from $4 a ton for groundwood pulp to $16 a ton for dissolving pulp.

Net profit for 1945 was $1,763,638, compared with $1,457,751 in 1944. Provided for taxes was $1,770,000 against $2,590,000 the year before. Earnings per share based on net profit excluding the refundable portion of excess profit taxes were $4.75 in 1945 compared with $3.93 in 1944. Additions to plant and property totalled $1,302,000 in 1945.

The company's properties include: a sulphite pulp mill, groundwood mill, and paperboard mill at Edmundston, N.B., four sawmills and two shingle mills in eastern Quebec and New Brunswick. Through ownership of Restigouche Co. the parent company controls a bleached sulphite mill, completed in April, 1930, with a daily capacity of 185 tons at Athol, New Brunswick. Through its subsidiary, Fraser Paper, the company also controls at Madawaska, Me., a modern high-grade paper mill manufacturing bond catalogue and waxing papers.

The sawmills have a combined annual manufacturing capacity of approximately 60,000,000 ft. b.m. of spruce lumber, in addition to a large production of shingles, laths and railway ties.

The company owns 1,530 sq. mi. of freehold timberland and controls 2,315 sq. miles of crown timber limits in New Brunswick and the eastern part of Quebec province.

Net capacities: Edmundston, N.B. —highgrade bleached sulphite pulp, 66,000 tons per annum; unbleached sulphite pulp, 9,000 tons per annum; paperboard 18,000 tons per annum; groundwood pulp, 42,900 tons per annum. Madawaska—high-grade sulphite paper, 48,000 tons per annum; catalogue paper, 43,500 tons per annum. Athol, N.B.—bleached sulphite pulp, 55,500 tons per annum.

Rolland Paper Co.

Rolland Paper Co. Ltd. with plants at Mont Rolland and St. Jerome, Que., manufactures and sells high-grade bond, writing and ledger paper. The plants are on the Canadian Pacific Railway approximately 50 and 35 miles respectively from Montreal.

Annual production of the Mont Rolland Mill is 10,000 tons of sulphite bond and rag stock paper; St. Jerome, approximately 50,000 tons of high-grade rag stock paper. The mills are powered from plants owned by the company on the North River, the Mont Rolland plants having a capacity of 1,500 h.p. and the St. Jerome plants a capacity of 700 h.p. Additional power required is purchased from the Gatineau Power Co. Net profits for the year ended Dec. 31, 1945, after provision for income and excess profit tax, including the refundable portion, amounted to $132,086. Net profit for 1944 was $134,879 after total taxes of $91,852. Earnings per share in 1945 based on net profits after total tax provision, were $8.84 on the preferred and 71c. on the common as compared $8.99 and 75c. respectively in 1944. However, including the refundable portion of excess profit taxes, earnings were $8.94 on the preferred and 73c. on the common.

During 1945, expenditures for plant rehabilitation and improvement amount to $230,323 and according to the annual report further improvements are receiving considerations.

At a special meeting on April 24, 1946, approval was given to the creation of $2,500,000 for 4¼% cumulative, redeemable $100 par preferred stock, of which $1,700,000 was to be issued. Proceeds were used to retire the 14,940 presently outstanding shares of 6% $100 par preferred stock.

Howard Smith Paper

Howard Smith Paper Mills, with its subsidiary, is the largest producer in Canada of fine paper and manufactures, in addition, pulp products and by-products for domestic and world consumption. This company makes over five hundred grades of paper. Through its subsidiaries, it controls plants for the manufacture of bleached sulphite pulp, groundwood pulp, bleached and unbleached kraft pulp and sulphite pulp, glassine, greaseproof wrappings, toilet and coatage papers, tags, paper bags and specialties, vanillin and lignin plastic.

Howard Smith Paper owns plants at Cornwall, Ont., Beauharnois, and Crabtree Mills, Que. Annual capacity of the combined plants is: 43,300 tons of bond and ledger paper, bristol boards, offset papers, books, litho, etc.; 45,000 of bleached sulphite pulp; 36,000 tons of bleached soda pulp; 9,000 tons of bleached and unbleached groundwood.

At present in operation are eight paper mills with sixteen paper machines, four chemical pulp mills, two groundwood mills, one electrolytic bleach plant, two bag factories and converted plants, one coatage mill and fourteen jobbing houses.

Beauharnois, Cornwall and Crabtree Mills Divisions are owned directly by Howard Smith Paper Mills; those of the Windsor Mills Division are owned through Canada Paper Co., a subsidiary, and those of the Merritton, Georgetown and Don Valley Paper Co. Divisions through Alliance Paper Mills, another subsidiary.

The combined annual capacity of all plants owned or controlled by the company is 115,000 tons of bond and ledger papers, bristol board, etc.; 73,000 tons of bleached sulphite pulp (31,000 tons available for sale); 34,000 of bleached soda pulp (26,000 tons available for sale); 42,000 tons of bleached and unbleached kraft pulp; 15,000 tons of bleached and unbleached groundwood (6,000 tons available for sale); 300,000,000 paper bags, 10,000,000 shipping tags and 7,000,000 flour sacks.

Operating profits for 1945, amounted to $3,766,642, down $4,012,966 from 1944. According to Harold Crabtree, chairman of the board, the lower trend of earnings since 1941 reflects the large increase in the cost of raw materials and wages while domestic prices have been pegged. Effective April 1, 1946, however, price increases of from $8 to $12 were allowed fine paper manufacturers and this will afford substantial relief along certain lines. Net profits for 1945 was $1,082,884. Earnings per share excluding the refundable portion of excess profits taxes amounted to $15.10 on the preferred and $1.96 on the common.

One of the newer and more important additions to the Howard Smith group is Howard Smith Chemicals, incorporated in 1936 for the manufacture of vanillin, a fine chemical used as a base for flavoring extracts and made from waste sulphite liquors, a byproduct of the parent company. One product developed by this company which is commanding considerable attention is called "Arborite" a material which is said to be as hard as brass. It is manufactured by laminating layers of paper under very high pressure. Arborite is suitable for table tops, flooring, etc., and has several admirable characteristics such as being alcohol proof, flame resistant. At present it is being marketed in small quantities only and is scarcely out of the experimental stage as yet. Along with other companies the demand for Howard Smith products has been at a high level during 1946 and it is expected that this demand will continue for the balance of the year.

Provincial Paper

Provincial Paper is a manufacturer and distributor of high grade book, bond, coated and writing papers, with plants at Georgetown, Thorold, Mille Roches and Port Arthur, Ontario. The company is controlled by Abitibi Power and Paper Co. through the ownership of the entire outstanding common stock.

Net 1945 profit increased to $297,154 from $252,813 in 1944, after tax deductions. Provision for taxes was $165,500 ($426,000 in 1944), of which $43,500 is refundable. The usual allowance of $300,000 for depreciation was made in both years.

The company recently made a new issue of $1 million 4% cumulative, redeemable preference shares, proceeds to be used in part for redemption of presently outstanding $3.5 millions 7% preference shares, on Oct. 1, 1946, at 107% of par value and accrued dividends, and redemption on Nov. 1, of $2,740,000 5½% first mortgage bonds at 100% and accrued interest. Balance required for such redemptions would be provided from issue and sale of 250,000 common shares of no par value to Abitibi Power and Paper Co. for $4 millions, and some funds of the company available for this purpose.

A new book paper is to be produced under an agreement with the Consolidated Water, Power and Paper Co. Wisconsin Rapids, U.S.A., whereby the company becomes Canadian licensee of the Consilidated process for the machine-coating of book paper. Necessary equipment is being installed at the Port Arthur plant.

Timber limits held from the Province of Ontario, covering 2,000 square miles, are considered by the company sufficient to ensure timber requirements. The company's plants have a combined annual rated capacity of 56,000 tons of fine paper. Practically 90% of company products is sold in Canada; the remaining 10% is exported, chiefly to New Zealand, Australia and other British possessions.

Canada's
Greatest Industry

Founded on outstanding resources of timber and hydro-electric power, Canada's pulp and paper industry is the most extensive in the world. From the establishment of the first mill in 1803 at St. Andrews, Lower Canada, the manufacture of pulp and paper has recorded a steady growth, until now it is the leading industry in the Dominion.

The magnitude and scope of its operations in relation to other Canadian industries are reflected in the following statistics:

— first in number of people employed;
— first in total wages paid;
— first in net value of production;
— first in capital invested;
— largest individual industrial buyer of goods and services in Canada.

Canada's newsprint capacity is four times greater than that of any other country. Before the war, Canada supplied three of every eight newspaper pages printed throughout the world.

The securities of Canada's newsprint companies provide attractive investment opportunities.

Wood, Gundy & Company
Limited
Winnipeg TORONTO Vancouver
Ottawa Montreal New York Victoria
London, Eng. Hamilton Kitchener London, Ont.

Salmon Hole Dam and Power Plant, St. Croix, N.S.

EXPANSION

Building construction is now underway and the machines purchased for a Board Mill which is planned to be in production early in 1947.

A bond issue of $1,000,000 was recently over-subscribed for re-funding purposes and to finance this new construction.

Increased production facilities are being added by CANADIAN KEYES FIBRE COMPANY LIMITED (an affiliated company) manufacturing moulded pulp products.

MINAS BASIN PULP & POWER COMPANY
LIMITED
MANUFACTURERS OF GROUNDWOOD PULP AND LUMBER
HYDRO-POWER 7,100 h.p. INSTALLED CAPACITY
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2 Greatest manufacturing industry in Canada in net value of production and in capital invested.
3 Canada's largest export industry in dollar value.

Fire in the past ten years has destroyed over $43 millions worth of Canada's forest wealth.

About 82% of the total loss is attributed to human agency — carelessness for the most part — 18% to lightning.

You owe it to yourself to do everything in your power to protect our forests. Please do not throw away lighted cigarettes or cigars or live ashes from your pipe. Make sure that all camp fires, etc., are put out — and we mean PUT OUT — before you leave.

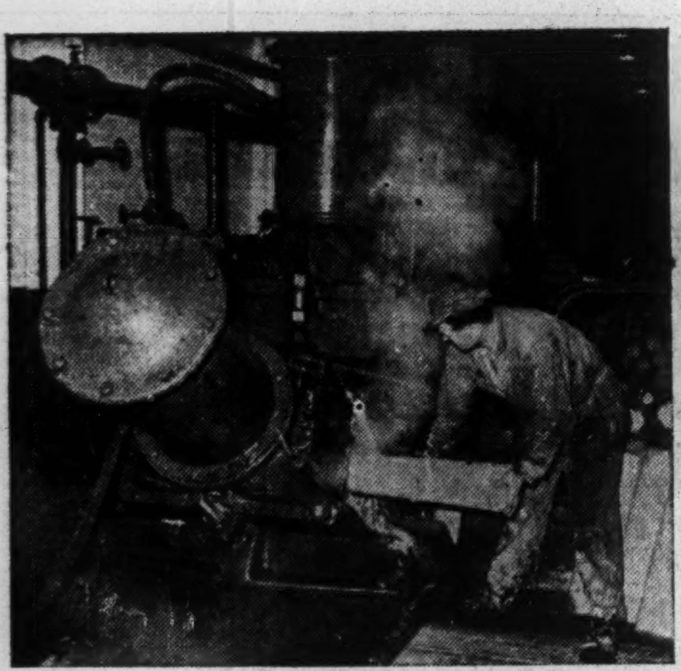
Do your share to protect our greatest source of national income.

Spruce Falls Power & Paper
COMPANY, LIMITED
330 UNIVERSITY AVENUE, TORONTO 2, ONT.

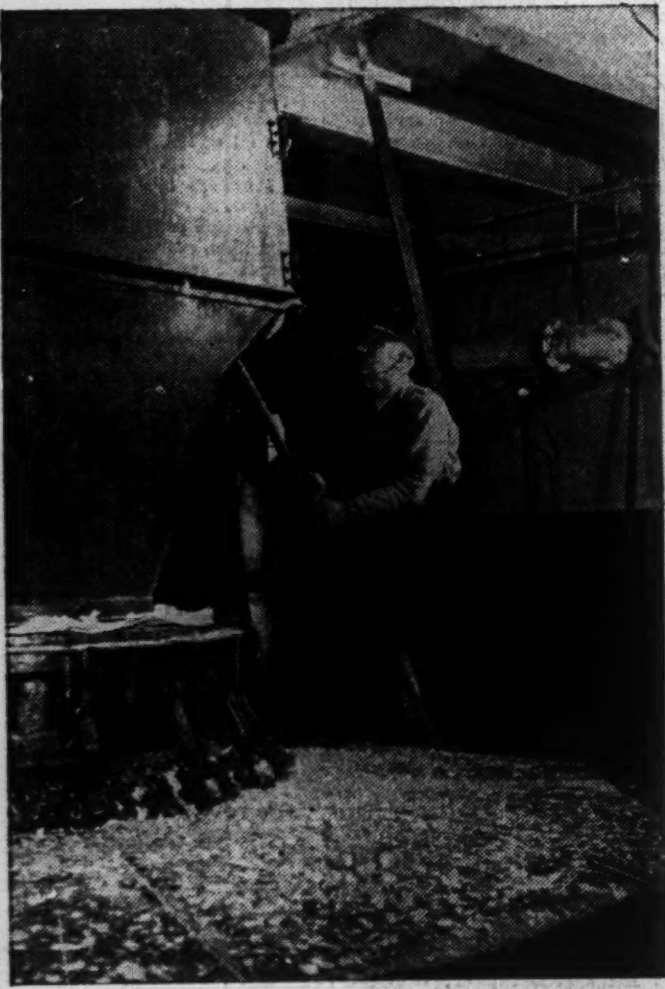
The Financial Post

Vol. XL | Publication Office: Toronto, September 21, 1946 | No. 38

Pulpwood Supplies Said Ample To Maintain Capacity Output



1. From forest stand to paper mill, the course taken by all pulpwood is identical, but at the mill it can follow either of two processes. The logs above are being fed into a grinder, to become groundwood pulp.



2. It might, however, have been put through a chipper and the chips dumped into acid in a big "digester" as above to make sulphite pulp.

MONTREAL (Staff)—Whether Canadian pulp and paper mills can continue their present capacity rates of operation into future months depends on the amount of pulpwood available from the pulpwood cutting season now under way. Pulpwood holds the key to the level of Canadian mill operations, from a material supply point of view.

Actually, present pulpwood supplies are such as to permit capacity pulp and paper operations throughout this year and into June, 1947, provided there is no holdup in deliveries to the mill. The wood has been cut. Some mills are amply supplied with pulpwood; other mills are not too favorably situated and have been obliged to restrict operations below effective mill capacities.

The over-all picture on pulpwood, however, is considered good. When production from the 1946-47 cutting season, now under way, becomes known, it will be possible to determine whether capacity pulp and paper levels can be carried on throughout 1947, demand permitting. In the last analysis, labor will determine the amount of pulpwood produced. At the moment this situation is understood to be shaping up rather well though one bad spot is in Ontario where prisoner-of-war labor is no longer available and there is no sign of replacement labor being available. Last year upwards of 10,000 POW's were employed in wood cutting operations, 5,000 of them on domestic pulpwood production, the balance on cutting pulpwood for export.

Latest government figures on pulpwood production in Canada are for the calendar year 1945 and show mainly the results of production in the 1944-45 cutting season. For the 1945 calendar year apparent production of pulpwood amounted to 9,341,147 cords, compared with 8,668,566 cords in 1944. Amount of pulpwood used in Canada last year was 7,768,000 cords, against 7,169,430 in 1944; exports totalled 1,576,821 cords against 1,489,136, imports 3,674 cords against 8,209. Exports last year accounted for 16.9% of production (17.3% in 1944).

Using Hardwood

When running at capacity, the industry uses some 8.3 million cords of pulpwood annually. Softwoods, mostly spruce and balsam, make up nearly 97% of this total. Small quantities of birch and poplar are sometimes mixed with softwoods to manufacture chemical pulp. This usage of hardwood is a comparatively recent development; research is under way to provide means of extending its field.

The annual pulpwood harvest accounts for only 16.7% of the annual drain on the forests. The largest commercial cut is made by the lumber industry; however, the unfortunate factor in forest consumption is the destruction caused by fire, insects and disease. This is responsible for 26.6% of all forest depletion.

Of the 8.3 million cords of the wood which the industry uses each year when operating at capacity, about six million cords are cut from limits leased or owned by the industry. The remainder is purchased from private forest owners, the majority of whom are farmers. All wood thus purchased is softwood.

Under present circumstances, purchased pulpwood cannot be regarded as a reliable source of future supply for the industry. Few, if any, of the private woodlots are operated under any sort of a long-term forestry plan. In consequence, considerable exploitation is taking place, a situation aggravated by the fact that pulpwood cut from private lands is exportable.

Two further sources of pulpwood supply have recently been evolved: the forest colony and the co-operative camp. Forest colonies are operated in Quebec through joint action by pulp and paper companies, local syndicates of settlers, and the Provincial Government. Part of a company's timber limits are set aside as a special reserve for the syndicate whose members cut wood under contract with the company under supervision of provincial foresters. Co-operative camps also operate under company contracts; the members of the camp work on a profit-sharing basis, receiving a small salary in addition.

B. C. Methods Differ

East of the Rockies logging methods differ radically from those practiced on the west coast owing to differences in climate, in size and species of wood, in topography, and in transportation methods. Although the industry's aims regarding forest management, regrowth and forest protection are identical throughout the Dominion, the following is a description of a typical woods operation in Quebec, and does not apply to the west coast.

An over-all inventory of the company's limits will have been prepared. Based on the annual growth, a general working plan is laid out, covering the quantity of pulpwood required and the areas to be cut, and prescribing the cutting method to be employed in each type of forest. This working plan, which usually covers a 10-year period, is discussed with, and studied by, Provincial Government foresters who then approve or alter it in accordance with what they believe to be the best interests of forest management in the province.

Each year, long before woods operations are begun, the wood requirements are determined in accordance with which the woods manager decides which regions are to produce the pulpwood in the coming season. For each of these regions an operating plan is laid out. This plan shows exactly where wood will be cut, how it will be cut, and how it will be moved, (usually by stream), to the mill. The methods of cutting different forest areas, all of which are set forth in detail in the general working plan and in the operating plan, may vary; however, they are not only first approved by provincial foresters, but are checked by provincial representatives on the ground. In some areas, selective cutting is pursued. By this method suitable trees are cut, the forest thinned and the growth of younger trees encouraged.

In other areas in the same region clean or clear cutting may be employed. Clear cutting means cutting down all merchantable timber, often a method permitting the most rapid regeneration of the forest.

Start in Summer

In the late summer camps are set up, men begin to move into the woods, and operations begin. Main trails are laid out in the cutting areas, sometimes within 120 feet of each other, sometimes 500 to 1,000 feet apart. Then the fellers go in with axe and saw to cut the trees. In felling a tree, the feller first makes an undercut with his axe to guide the direction of fall, then saws through the tree with an one-man bucksaw. After felling, the tree is trimmed and the unmerchantable top portion, below 2¼ inches in diameter, is discarded. Then the log is cut into measured lengths of 16, 12 or 4 feet. After this it is ready for piling.

Piling practice differs according to the density of the stand, the method of cutting—selective or clear—and the size of the logs. Usually logs are dragged out to the main road by horse in groups of two or three. In areas where swampy conditions do not permit the use of horses until the ground is frozen, logs may be moved short

(Continued on page 37)

3. In either event the next stage is much the same. Masses of fibre suspended in fluid are the unprepossessing beginning of what will soon be paper.

4. The pulp flows through the papermaking machines until suddenly it is transformed into a continuous web. Then it is simply a matter of expelling surplus water until it emerges as crisp, dry paper.

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HEAD OFFICE — TORONTO

$100 Million Expansion Boosts Pulp Output By 500,000 Tons

MONTREAL (Staff)—Current activity in U. S. paper and paperboard mills means only one thing to Canadian wood pulp producers: a guaranteed market for every ton of wood pulp that can be spared for export to the U. S.

U. S. production of paper and paperboard this year will likely reach a level of 19,000,000 tons, the highest on record and up 40% from 1939. To Canada, with a surplus of chemical and groundwood pulps larger than any other country among the United Nations, this level of U. S. paper-mill activity spells continued high-production levels. Normally Canada exports over 25% of its wood pulp production and nine out of every ten tons exported goes to the U. S. market.

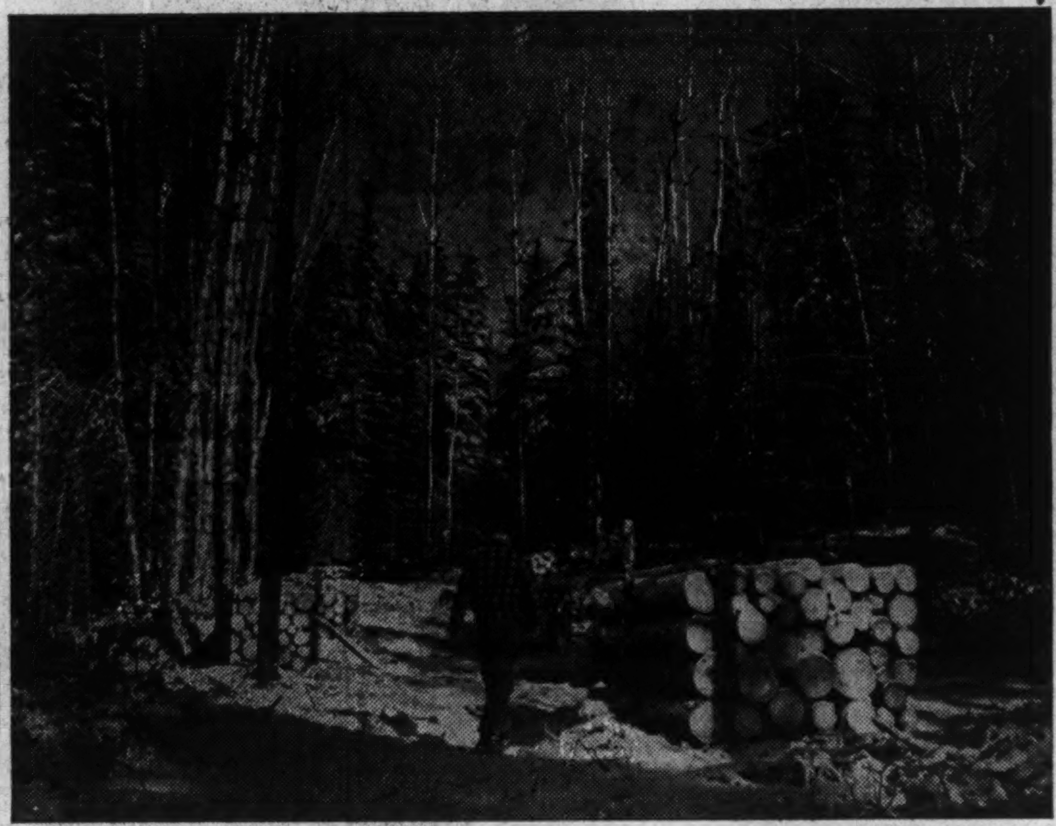
Present indications are that Canadian exports of wood pulp this year will equal the 1945 total of 1.4 million tons. Bulk of this will continue to go to the U. S. market. Yet the demand by the U. S. for imported wood pulp continues unsatisfied. Dollarwise, 1946 Canadian exports of wood pulp will likely exceed the 1945 figures because of the price increase last April. In fact, figures for the seven months ended July 31, 1946, show wood pulp exports at $64 millions, against $61 millions in the same period last year.

Can't Get Enough

Because of acute shortages in wood pulp, production of paper and paperboard in the U. S. in the third quarter of this year will probably fall short of second quarter totals, the Department of Commerce estimates. Normally, for every 100 tons of paper and paperboard produced, there is required 110 tons of fibrous material, such as wood pulp. Last year 19 million tons of fibrous materials were consumed in paper and board mills in the U. S. in the process of turning out 17.4 million tons of finished product. Wood pulp contributed 10.8 million tons of this total or 57%, the balance being met by such substitute fibrous materials as waste paper, straw, rags, etc.

With an effective capacity of 6.1 million tons of wood pulp, Canadian mills last year turned out 5.6 million tons, over 90% of capacity operations. This year that total will be equalled, according to preliminary estimates; could be exceeded if capacity were available.

Plans have already been announced by several Canadian mills to increase output. Proposed new mills, some of which won't come into production until 1948, will add some ½ million tons to present Canadian capacity, will cost over $100 millions. This would represent an addition of some 8% to present Canadian wood pulp capacity.



This stand of timber in northwestern Ontario may wind up on your breakfast table as your morning paper, your paper serviette, the carton holding your favorite breakfast food, or a letter from home. In any event it begins like this.

Many New Mills

Latest announcement of a proposed new wood pulp mill came from Fraser Companies, which recently announced final plans to spend $4 millions on a new kraft pulp mill with a daily capacity of 120 tons at Newcastle, N.B. Other mills either just built or in process of being built or where construction will soon begin, include: Brompton Pulp & Paper, which has spent between $4 and $5 millions at Red Rock, Ont.; Kimberley Clark Corp. at Terrace and Marathon Paper Co. at Marathon, which between them have spent an estimated $40 millions; Kalamazoo Vegetable Parchment Co. at Espanola, with an estimated $10 millions outlay; Provincial Paper Co. at Port Arthur and the Ontario Paper Co. at Thorold, both with large capital expenditures. Restigouche Paper Co. is now spending $1.5 millions on expanding its bleached sulphite pulp mill at Campbellton, N.B.

Main reason for present wood pulp shortage is failure of Scandinavian countries to resume volume shipments to the U. S. Imports of wood pulp from Europe into the U. S. for the first half of 1946 totalled less than 300,000 tons. Normally, pre-war half-year U. S. imports from overseas averaged 750,000 tons. With U. S. consumption of paper and paperboard now totalling approximately 300 lb. per capita, up 25% from 1939, imports are more than ever necessary for a balanced U. S. supply position despite a 3,000,000-ton increase in U. S. production since 1939.

U. S. Extends Subsidy

Realizing how necessary it is to keep up U. S. production, the OPA recently agreed to extend its domestic wood pulp subsidy program through the end of this year. Failure to do so would have resulted in a substantial cutback in rates of U. S. wood pulp production, it was realized. At the same time the OPA announced that it would permit imported wood pulp to be sold on an open-faced billing basis, pending final decision on the price at which wood pulp should sell.

As far as the price of wood pulp is concerned, there have been two price increases made this year. The one made in April last by OPA; the other made by the industry in July in order to offset the loss on dollar parity. Actually this latter price increase, amounting to 10%, has not yet been officially sanctioned by OPA, though they are now giving consideration to it.

Actually both Canadian and Swedish producers of wood pulp for export have a strong case for this price boost at the present time. When their respective governments this summer revalued upward, the external value of their respective currency units by 10% and 15%, this meant an immediate net loss to the industry of 10% and 15% respectively. When converting their U. S. dollar proceeds into Canadian dollars or Swedish krona, they realized what an upward adjustment in currency values meant. Until the U. S. adjusts the price of wood pulp upwards to meet this exchange situation, these two large exporters of wood pulp will have no incentive to step up exports to the U. S. In fact their incentive will be less than in the earlier months of the year.

Asks Price Hike

Realizing this, the U. S. pulp industry Advisory Committee has recently recommended to OPA that present price ceilings be advanced immediately 15%. It also strongly recommended price decontrol on the grounds that it would make possible maximum domestic production of wood pulp and maximum foreign imports of foreign wood pulp. The committee added that unless decontrol can be established "within an extremely short time" immediate increases in pulp ceilings on a basis applying uniformly to both foreign and domestic pulps will be necessary to stop a further decline and to induce an increase in the national supply of wood pulp.

Here is the current situation on wood pulp in the U. S. All inventories at the end of July, including quantities at pulp mills and in the hands of paper and paperboard producers, totalled only 531,647 tons, less than 17 days consumption. Consumers of sulphite pulp were somewhat better off than the average with 35 days supply of pulp on hand. Sulphate pulp stocks were lower, with 11 days supply on hand.

Canada Key Supplier

Faced with such a critical shortage of wood pulp, it is no wonder that the U. S. is looking to Canada for additional supplies. According to the Civilian Production Administration, U. S. imports from overseas will have to be double the first half-year tonnage if U. S. paper and paperboard mills are to fill current needs and build up inventories to take care of the winter months when overseas shipments are normally small. According to a recent roundup, here is what the chances are at the present time for a realization of this target quota of foreign wood pulp.

Only country likely to improve on its first half-year performance is Finland. The Finnish Cellulose Corp. has notified CPA that Finland is prepared to increase its wood pulp exports from about 45,000 tons in the first half to 100,000 tons in the second half of 1946, and 230,000 tons in all of 1946. This would still represent a 117,000-ton shortfall from Finland's 1939 contribution.

U. S. Pulp No Help

The position of Sweden, however, is even less encouraging. Lack of coal and coke for fuel has cut Swedish production of wood pulp for 1946 to a level of less than 600,000 tons, according to official Swedish sources. Sweden's normal peacetime output of wood pulp is between 800,000 and 900,000 tons an-

(Continued on page 39)

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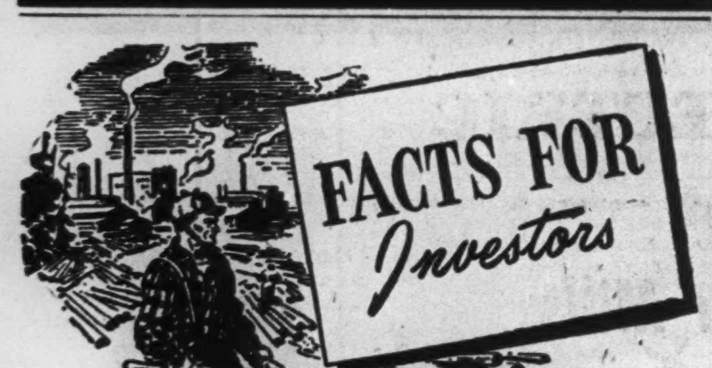

The Pulp and Paper Industry
● Products of Canada's forests—pulp and paper—are a key-stone in Canada's economic structure. The industry employs more men and pays more in wages than any other manufacturing industry in the Dominion.
Value of pulp and paper exports is greater than that of any other country, and Canada is the second largest pulp producer in the world.
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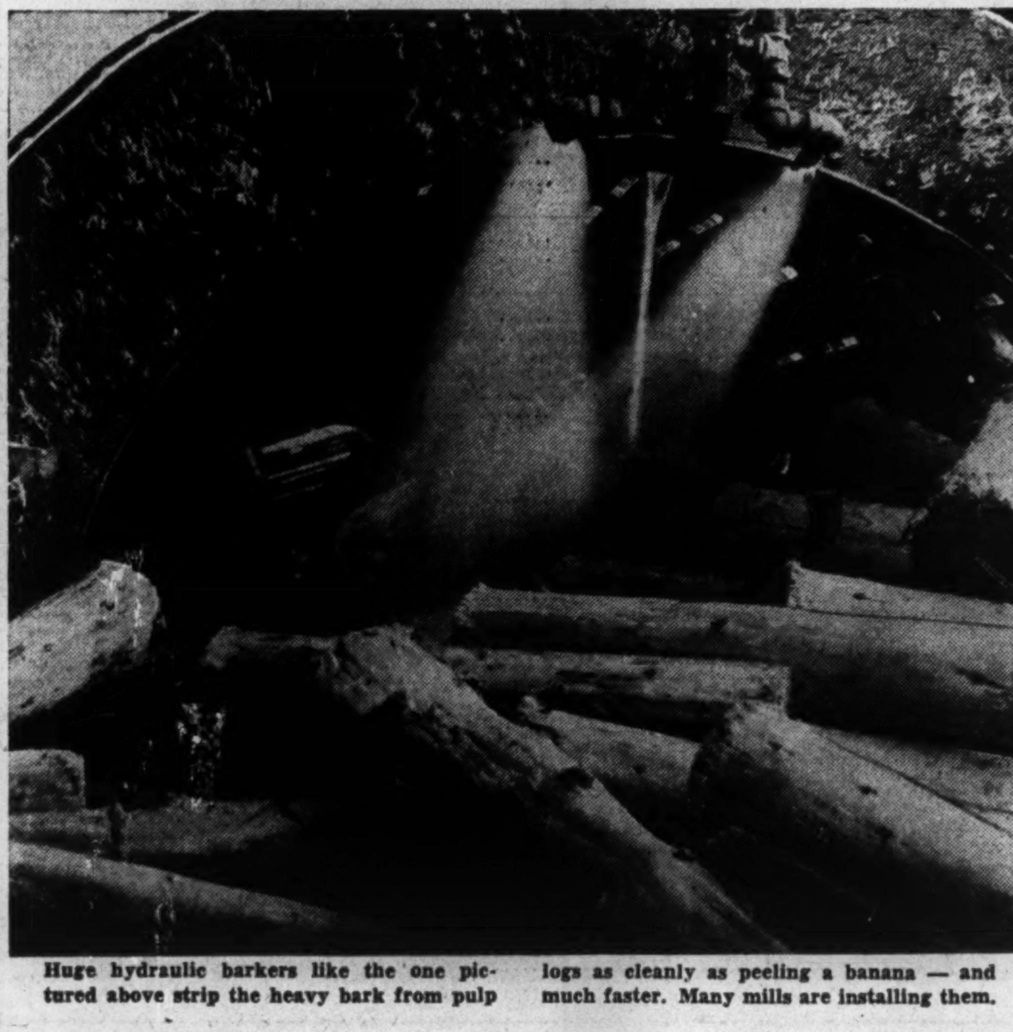
When you think of the great part which the Canadian Pulp and Paper Industry played in war, and is carrying on in this post-war period, remember the vitally important role of the technicians — a role of inestimable value yesterday, today and tomorrow.
BATHURST
POWER AND PAPER COMPANY LIMITED

Damage by Fire, Insects, Disease Blamed for 26.6% Of All Depletion of Canada's Forest Reserves

(Continued from page 35)

distances by hand and laid in scattered rows along roadside. When the wood has been assembled, it is scaled, measured in cords. Horses are still the most common means of woodlands transport but use of tractors or trucks for longer hauls is increasing.

For the drive, the wood is delivered to the banks of the nearest stream capable of floating it away with the spring freshet. The small streams may drive the wood from about three to 10 miles to the larger secondary streams; from there it may travel another 15 or 20 miles to the main river which, in turn, may flow from 40 to 250 miles to the log boom at the mill.



Huge hydraulic barkers like the one pictured above strip the heavy bark from pulp logs as cleanly as peeling a banana — and much faster. Many mills are installing them.

Woods Progress Slow

Compared with the rapid strides made in improving pulp and paper manufacturing methods, progress in woods operations has been relatively slow, the industry admits. This is partly due to the nature of the work for the cutting of trees scattered over forest areas of varying topography does not easily lend itself to mechanized methods of mass production. The work is seasonal and, until the war came, labor was plentiful. Thus the advantages to be gained from large investment in mechanized equipment were small. However, war conditions have changed the situation considerably. The mechanical transport of logs is well advanced. Extensive experiments with mechanized logging, particularly in the use of power saws, have been carried out and there may be, in the near future, major developments in this direction, the industry feels.

The industry employs as many as 180,000 workers in the woods, chiefly on a seasonal basis from September until April. Men come into the camps in gradually increasing numbers until the beginning of November, after which the numbers remain reasonably constant until mid-December. There is a decline in employment in the Christmas-New Year holiday period, then a return to work resulting in a new but lower peak in mid-January. A month later the number decreases again and most of the men are out of the woods by April 1. Woods operations are adjusted to this ebb and flow of employment. Cutting begins during September and is usually completed by mid-February. In the meantime, once sufficient snow has fallen, a start is made on hauling. By the beginning of April, in normal years, hauling is completed and special crews take charge of the drive once the freshet is on.

As labor shortages developed during the war years, camps were kept open as the labor supply permitted and cutting began as soon as the drive was completed. Further, with the growing difficulty of purchasing sap peeled wood, camps were operated for sap peeling. Production from summer operations was none too fruitful but it aided in maintaining supplies. Further help was obtained by prolonging operations into the spring months so long as men were available and cutting was feasible.

Farmers or Fishermen

Most of the men employed in the woods are either farmers or fishermen. They take work in the woods during off season months, thereby supplementing their basic income. Actually the over-all pulpwood situation in Canada could be greatly improved today, it is held, if additional workers could be induced to go into the woods but a combination of wartime gratuities plus such government assistances as baby bonuses is not aiding that end.

In common with producers of newsprint and woodpulp for export, Canadian exporters of pulpwood have this year run into the question of OPA ceiling prices on pulpwood exports to that country. As in the case of newsprint and woodpulp, exporters of pulpwood have been authorized to sell in the United States on an adjustable price basis until OPA sets a revised ceiling price on imported pulpwood. This problem arose, as in newsprint and woodpulp, when the Canadian dollar went to parity with the U. S. dollar, but unlike newsprint and woodpulp, OPA hasn't yet responded with a price increase.

When OPA established Canadian pulpwood sales to the U. S. on an adjustable price basis on Aug. 19, they explained their action on the following grounds:

"Recent changes in domestic Canadian ceiling prices have resulted in comparatively lower maximum prices realized by certain Canadian producers of pulpwood who ship to this country. This has resulted in retarded shipments of pulpwood essential to the manufacture of paper and paper products. Consequently members of this industry have requested the Office of Price Administration to adjust the maximum prices of pulpwood shipped to this country from the Provinces of Quebec, New Brunswick and Nova Scotia.

"A contemplated study of the problem will, of necessity, require conferences with the industry affected and others and the passage of some considerable amount of time. Unless adjustable pricing is granted in the interim to purchasers of this pulpwood, production of essential paper and paperboard products in this country will be seriously jeopardized and our transition from a wartime to a peacetime economy hindered."

Last year consumption of pulpwood by Canadian paper producers reached an all-time high and with capacity operations in the industry likely to exist for the balance of 1946, there is every reason to believe that consumption of pulpwood in Canada this year will exceed last year's level. As long as the Canadian demands for pulpwood remain as large as they are now, there is every likelihood that failure of OPA to adjust its ceiling price upward will result in diversion of pulpwood from that market to Canadian consumption, particularly as the Canadian price structure is presently more attractive.

See 4 Million Tons Newsprint Made In 1946

MONTREAL (Staff) — Distinct possibility that Canadian production of newsprint this year will exceed 4 million tons was seen by observers when the industry reported production of 370,676 tons in August, or 99.1% of capacity. This brought production for the first eight months of the year to 2,730,638 tons, up 628,457 tons or 29.9% from the corresponding 1945 period.

Should the industry operate at 96% of capacity for the balance of the year, and this is considered a reasonable assumption, it will produce an additional 1,356,000 tons. This would bring total 1946 production to 4,086,000 tons, the first time in history that a tonnage in excess of 4 million tons has been produced in Canada. Since May the industry has been consistently operating in excess of 96% of capacity and, barring unforeseen breakdowns, a level of nearly 4.1 million tons will be realized, observers say.

Other significant trends revealed by the August monthly report of the Newsprint Association of Canada are:

1. Scandinavian countries are now beginning to resume newsprint exports in volume (225,668 tons in first seven months), though they are still running 57% below 1939 export levels. As yet, however, none has been sent to the United States.

2. U. S. production through August is 7.2% above the corresponding 1945 period. To some observers the fact that production there has held up so well is surprising in view of U. S. department estimates some months ago that newsprint production in the U. S. would be cutback substantially before the end of the year as machines would be diverted to other types of paper products.

3. Canadian mill shipments to the United States totalled 2,173,215 tons through August (1,637,705 tons in corresponding 1945 period).

SOUND-CONTROL
PAYS FOR ITSELF...

The management of Henry Morgan & Co. Ltd., leading Montreal department store which celebrated its 100th Anniversary last year, decided to control noise in its general office . . . for noise is expensive. It causes employees needless strain, impairs efficiency, *costs money.*

Morgan's chose TEN/TEST* for the job, the noise-absorbing ceiling featuring ¾" tongue-and-groove Ashlar Blocks (15" x 15") applied to asbestos sheets.

Stop noise costing YOU money...

The experience in hundreds of plants and offices throughout Canada is your best proof that TEN/TEST Sound-Control is an excellent investment. By its effective control of noise, it quickly pays for itself in increased efficiency . . . more work done . . . better employee relations.

TEN/TEST Sound-Control materials — Standard Panels and Ashlar Blocks — prove an equally effective installation for new buildings or for modernizing existing structures. And economical! At one cost, TEN/TEST provides sound-control, efficient insulation, structural strength and decorative interiors.

Though TEN/TEST Products are still in somewhat short supply, *it will pay you to wait* . . . for everything is being done to correct the situation speedily. It is therefore suggested that you learn now about TEN/TEST for sound-control, insulation, and building construction.

Write for complete information, samples and technical data to International Fibre Board Limited, Gatineau, Que., Dept. 65.

TEN/TEST
TIME-TESTED INSULATING PRODUCTS

*TEN/TEST is a registered trade mark and signifies a diversified group of insulating products of International Fibre Board Limited.

A NEW ANGLE ON LIGHTING

✓ No matter how deeply buried a worker may be in a car, *on this production line*, he's surrounded with an abundance of glareless light. Not only are the fluorescent units mounted on a special angle but they are Day-Line units. Result: increased efficiency.

The Day-Line, with its Porcelain Enamelled Steel Reflector, is optically engineered to increase the efficiency and quality of illumination. That's why it's easy to see when it's Day-Brite.

But that's not all: A Day-Line installation is a lifetime installation. Age, fumes or heat cannot affect the hard-as-glass finish of the steel reflectors. Soap and water brings them back to their original brilliance instantly . . . to flood areas with plenty of sunny light . . . without a hint of glare.

If you are considering a new lighting layout or changing your present one, ask your electrical contractor or wholesaler for all the facts on the Day-Line.

The DAY-LINE

A heavy-duty industrial unit with lifetime porcelain enamelled steel reflectors. Single unit and continuous mounting.

Western Divisions: Langley Electric Manufacturing Company Limited, Winnipeg; Langley Electrical Company Limited, Calgary; Langley Manufacturing Company Limited, Vancouver.

AMALGAMATED
ELECTRIC CORPORATION LIMITED

IT'S EASY TO SEE WHEN IT'S
DAY-BRITE
Lighting

Natural Resources
ARE NOT ENOUGH!

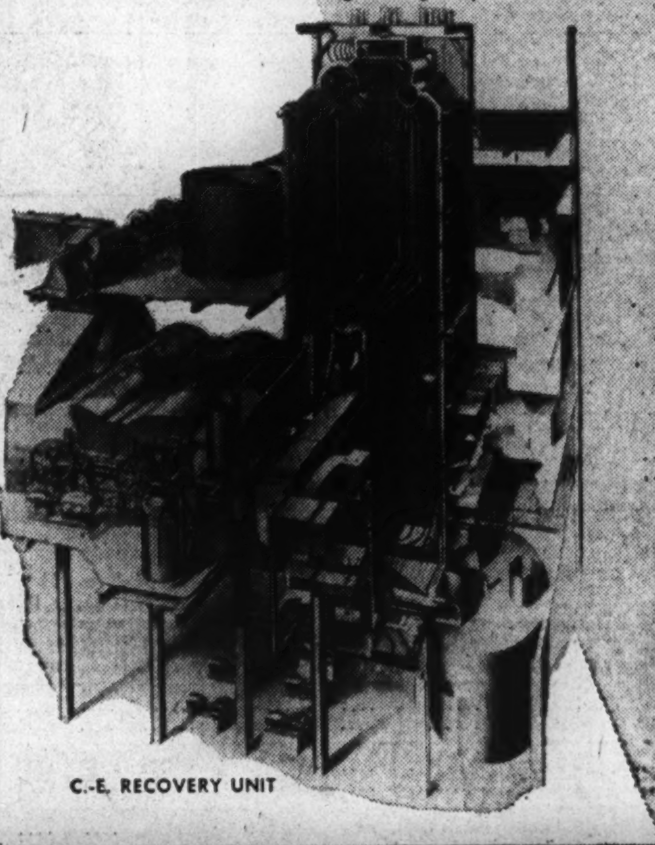
Canada's vast forest land amply provides raw material for the Pulp and Paper Industry. But without the skill of Canadian workers and the efficiency of Canadian machines, our country's forest resources would be of little commercial value.

We pay tribute to the men of Canada's Pulp and Paper Industry — through their efforts, virgin forests have become finished paper products. Over the years they have brought about improvements and modernizations that have gained for "Pulp and Paper" recognition as one of the leading industries of Canada, and of the world.

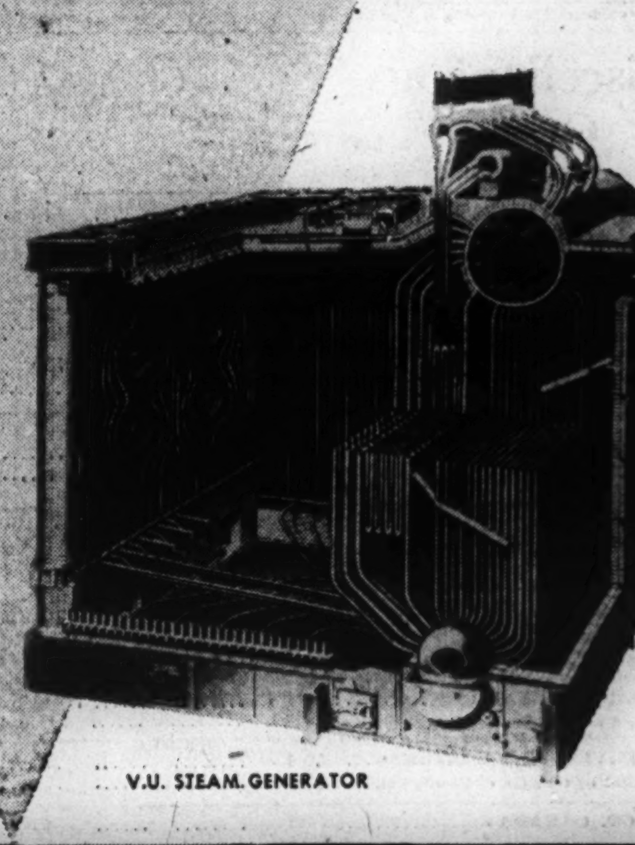
Contributing to the growth and development of this industry in Canada for almost 30 years has been the privilege of Combustion Engineering Corp. Ltd. Our continuous research has produced new and improved equipment—designed to keep in step with the many technical advances of the Pulp and Paper Industry, and testifying to this industry's confidence in our efforts are the many repeat orders we have received.

We look forward to its continued expansion and we welcome the opportunity to serve the industry's future requirements for all types of steam generation and chemical recovery equipment.

Without obligation we shall be pleased to send you more detailed information and illustrated booklets. Please write to: Combustion Engineering Corporation Limited, 540 Dominion Square Building, Montreal, Quebec.



C.-E. RECOVERY UNIT



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C-E-C PRODUCTS FOR THE INDUSTRY INCLUDE STEAM GENERATING, FUEL BURNING AND RELATED EQUIPMENT

The Financial Post Statistical Record of Major Pulp and Paper Companies

Unless otherwise stated, the year taken is the calendar year; net earnings, the amount available for depreciation, bond interest, write-offs and taxes, after all expenses; total income taxes, the gross amount of income taxes including refundable portion, if any; net profit is shown on a "retained" basis after total income taxes as defined; surplus for year is the balance of "retained" net profit after dividends provided for the year; total refundable portion is the accumulated total to the end of the latest fiscal year shown.

Newsprint Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Total Inc. Taxes $	Net Profit After Total Taxes $	Earnings per Share Preferred Excl. Ref. EPT $	Earnings per Share Preferred Inc. Ref. EPT $	Earnings per Share Common Excl. Ref. EPT $	Earnings per Share Common Inc. Ref. EPT $	Dividends Paid Pref. $	Dividends Paid Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	
ABITIBI POWER AND PAPER▪	1945	30,885,000	605,000	28,340,175	10,384,874	♦3,948,732	....	1,750,000	1,841,040	*	....	....	....	...	....	1,841,040	26,894,857	......	D. W. Ambridge, pres., Toronto, Ont.; W. H. Smith, vice-pres., G. R. Cottrelle, Allan Graydon, J. H. Gundy, J. S. D. Tory, E. W. Bickle, Toronto; J. P. Ripley, New York; R. H. Reid, London, Ont.; H. J. Carmichael, St. Catharines; T. R. McLagan, Montreal. Sec.—T. Broadhurst. Treas. & asst. sec.—H. Young.
	1944	Cords		27,213,022	9,714,898	♦4,183,343	....	1,250,000	1,043,740	....	....	....	....	...	....	1,043,740	24,260,133	......	
*On basis of 1945 results, earnings estimated at approx. $34.39 per new $2.50 prior pref. sh., $1.16 per new $1.50 pref. sh., and deficit of 40c. per new common sh.																			
BOWATER'S-NEWFOUNDLAND	▲1945	20,000,000	210,000	28,327,270	2,409,020	♦641,716	2.39	......	1,028,132	....	....	0.34	....	...	0.11	692,882	9,329,567	......	Sir Eric V. Bowater, pres., London, Eng.; G. S. Currie, 1st vice-pres., Montreal; H. M. S. Lewin, vice-pres. & gen. mgr.; G. W. Shaw, deputy gen. mgr., Corner Brook, Nfld.; Hon. Ira Wild, St. John's, Nfld.; C. G. Heward, Montreal; A. B. Meyer, A. A. Ritchie, New York; W. A. Reid, J. H. Keeling, London, Eng.; Sec.—J. C. Fitzgerald. Treas.—W. Herdman.
	1944	Cords		26,534,860	2,568,946	♦843,161	1.70	......	711,509	....	....	0.24	....	...	0.22	41,009	8,637,975	......	
Controlled by Bowater's Paper Mills, Ltd., London, Eng. ▲9 months ended Sept. 30.																			
BROMPTON PULP & PAPER§	1945	8,000,000	62,100	*3,975,976	†865,894	♦282,245	....	275,813	307,636	....	....	1.03	....	...	1.00	7,636	1,993,482	......	A. F. White, pres., Toronto; R. W. Steele, vice-pres., Montreal; P. H. Scowen, gen. mgr., East Angus, P.Q.; J. I. Rankin, N. A. Timmins, Jr., G. B. Foster, Dr. C. W. Colby, Montreal; F. C. Baker, Lennoxville, P.Q.; D. J. Salls, Sherbrooke, P.Q. Compt. & sec.-treas.—L. A. Tucker.
	1944	Cords		475,976	†1,002,813	♦436,593	....	256,468	309,752	....	....	1.03	....	...	1.00	9,752	3,288,307	......	
Controlled by St. Lawrence Corp. Ltd. †After bond interest. *Includes $3,500,000 notes refunded in July, 1945, by $4,000,000 3½% first mortgage issue.																			
CANDN. INTER. PAPER CO.▪	‡1944	53,000,000	682,000	†63,188,000	10,023,594	♦4,947,606	1.35	1,842,910	d515,198	....	....	d5.15	d2.38	...	nil	d515,198	43,250,558	276,871	J. H. Hinman, pres.; S. L. de Carteret, vice-pres. and gen. mgr., Montreal; W. N. Hurlbut, vice-pres., New York; R. C. Doane, vice-pres.; H. R. Weaver, vice-pres. & treas.; R. J. Cullen, Lt.-Col. J. H. Phipps, J. F. Rollins, A. H. Wiggin; New York; J. A. Eccles, W/C L. P. Gelinas, G. H. Montgomery, Hon. Donat Raymond, Montreal; G. C. Edwards, Ottawa; F. K. Morrow, Toronto; H. P. Robinson, Saint John, N.B.; Chenier Picard, Sherbrooke, Que.; R. G. Ivey, London, Ont. Vice-pres.—E. L. Crooker, F. G. Robinson, C. B. Thorne. Sec.—Roy Campbell.
	1943	Cords		68,235,376	9,537,003	♦5,748,152	1.01	803,533	d760,452	....	....	d7.60	...	...	nil	d760,452	36,155,895	......	
Controlled by Canadian Inter. Paper Ltd. and International Paper Co. ‡Latest available. †All o/s 6% 1st mtge. bonds, due 1949 ($15,286,000 at Dec. 31, 1944) redeemed Jan. 1, 1946.																			
CONSOLIDATED PAPER§	1945	62,000,000	629,610	*42,220,280	10,539,451	4,578,957	2.62	1,900,000	1,788,753	....	....	0.70	....	...	nil	8,909,979	27,111,912	......	L. J. Belnap, pres.; G. M. Hobart, exec. vice-pres.; Francois Faure, C. R. Whitehead, vice-pres.'s; N. J. Dawes, W. H. Howard, G. M. Todd, R. H. McMaster, E. A. Macnutt, C. F. Sise, Hon. C. A. Dunning; Montreal; Col. H. D. L. Gordon, Toronto. Vice-pres. & compt.—George Henderson. Sec.—G. W. Hodgson. Treas.—D. L. Adams.
	1944	Cords		43,803,222	10,102,569	4,559,574	2.37	1,600,000	1,107,653	....	....	0.43	....	...	nil	7,062,578	25,811,952	......	
*Refunded Sept., 1945, by new $35,000,000 3½% issue.																			
DONNACONA PAPER§	1945	1,000 sq. mi.	95,000	5,860,000	1,354,379	♦348,169	‡3.02	249,714	289,161	....	....	0.77	....	...	0.50	100,875	2,208,547	......	R. P. Kernan, pres., Montreal; L. W. Michael, vice-pres. & sec.-treas., Donnacona, P.Q.; Hugh Mackay, Montreal; C. A. Cannon, Gaston Pratte, Quebec, P.Q.; T. L. Tremblay; Asst. sec.-treas.—C. Leveille.
	1944			5,860,000	1,314,688	♦348,206	‡2.78	200,000	273,725	....	....	0.73	....	...	0.50	85,439	2,446,688	......	
†After loss of $319,225 on realization of Hearst notes. ‡Bond interest only. Note—new issue of $2,500,000 4½% preferred offered in May, 1946.																			
DONOHUE BROS.▲	1945	500 sq. mi.	50,000	....	494,485	♦170,093	....	72,530	*100,957	....	....	†*0.67	†*0.68	...	....	100,957	1,284,030	8,156	Chas. Donohue, chm.; G. T. Donohue, pres.; Mark Donohue, vice-pres. & gen. mgr.; A. E. Beauvais, sec.-treas.; L. J. A. Amyot, Maj. P. M. A. Simard, Quebec, P.Q.; J. D. Coffin, New York.
	1944			....	467,799	♦158,457	....	143,049	166,293	....	....	†1.11	†1.15	...	....	166,293	1,160,889	6,451	
*After deducting $150,905 pulpwood inventory reserve. †Based on 150,000 shs. o/s after capital stock change made in 1946.																			
										"A" & "B"									
GREAT LAKES PAPER▪	1945	....	116,300	†4,746,960	1,541,584	♦779,821	3.38	251,000	321,311	‡1.61	....	‡d0.79	....	‡1.50	nil	21,311	3,694,024	12,000	Hon. W. E. Rowe, pres. and man. dir., Toronto; L. E. Aldrich,* vice-pres., Chicago; R. G. Meech, C. B. Shields, D. M. Hogarth, A. B. Gordon, Toronto; Ray Lawson, London, Ont.; Joseph Horner, Jr., W. C. Cochrane. Vice-pres. i/c sales—J. E. Gefaell. Sec.-treas. and asst. to pres.—Charles England. Asst.-treas. and compt.—F. K. Carlisle. *Representing the publishers.
	1944			4,881,060	1,648,653	♦809,294	3.37	265,000	320,674	1.60	....	d0.79	....	1.50	nil	20,674	3,806,693	12,000	
†Replaced Aug., 1946, by $4,750,000 3½% 1st mtge. s. f. bonds. ‡Old stock.																			
LAKE ST. JOHN PWR. & PAPER▪	1945	12,000,000	100,000	6,999,600	1,503,064	488,361	3.52	207,266	310,898	17.27	....	2.03	....	6.00	2.00	2,896	3,140,160	......	A. K. Cameron, chm.; J. I. Rankin, pres.; Montreal; A. F. White, vice-pres. and man. dir., Toronto; P. M. Fox, gen. mgr.; A. H. Campbell, H. C. Flood, R. W. Steele, N. A. Timmins Jr., G. B. Foster; Montreal; Aubrey Davis, Newmarket, Ont. Sec.-treas.—C. W. Davison.
	1944	Cords		7,997,900	1,526,703	480,825	3.49	200,962	308,770	17.15	....	2.01	....	6.00	nil	200,770	3,445,948	......	
Controlled by St. Lawrence Paper Mills Co. Ltd. and St. Lawrence Corp. Ltd.																			
JAMES MACLAREN CO.	*1945	2,600 sq. mi.	105,000	....	1,805,436	380,728	....	665,000	779,708	....	....	....	....	...	....	......	....	......	C. H. Maclaren, pres., Ottawa; A. B. Maclaren, vice-pres., Rockcliffe, Ont.; A. R. Maclaren, vice-pres.; J. A. Bryant, sec.; J. T. Black, treas.; G. L. Stevenson, C. R. Morrison, Buckingham, P.Q.; G. F. Maclaren, Rockcliffe, Ont.; J. R. Maclaren, Brockville, Ont.; J. N. Maclaren, Montreal, P.Q.
	*1944			....	1,697,522	493,706	....	751,500	452,316	....	....	....	....	...	....	......	....	......	
Wholly owned by Maclaren Power & Paper Co. *Year ended Nov. 30.																			
MERSEY PAPER CO.	1945	3,300,000	100,000	2,000,000	*1,375,062	487,175	6.42	298,361	327,121	6.54	....	0.35	....	nil	nil	327,121	2,319,229	......	Col. C. H. L. Jones, pres. & man. dir., Liverpool, N.S.; J. McG. Stewart, vice-pres.; B. J. Waters, gen. mgr.; Halifax, N.S.; T. M. Ratchford, sec. and treas., Liverpool, N.S.; P. R. Jack, J. C. McKeen, Halifax, N.S.; Col. J. L. Miller, Spithead, Bermuda.
	1944	Cords		††4,808,500	*1,233,812	492,706	3.42	207,360	306,185	6.12	....	0.21	....	nil	nil	306,185	2,891,182	......	
††All called for redemption in June, 1945; private financing done. *After depletion.																			
MINNESOTA & ONTARIO PAPER§	1945	13,700,000	186,000	5,700,000	4,176,149	♦1,497,016	10.11	865,000	1,549,042	....	....	1.15	....	...	nil	1,549,042	11,138,235	......	R. H. M. Robinson*, chm.; D. D. Davis, pres.; J. B. Faegre*, C. T. Jaffray*, S. S. Ford, H. W. Sweatt, Minneapolis; Serge Semenenko, Boston; C. S. Garland*, Baltimore; F. M. Gordon, Chicago; G. A. Dobbie, Galt, Ont.; R. S. Waldie*, Toronto. Vice-pres.—R. W. Andrews, C. T. McMurray, R. J. Henderson. Sec. & treas.—R. D. Main. Compt.—F. J. Hickling. *Member executive committee.
	1944	Cords		6,309,650	3,907,290	♦1,524,028	6.78	917,404	1,114,382	....	....	0.83	....	...	nil	1,114,382	10,982,290	......	
POWELL RIVER§	1945	390 sq. mi.	220,000	....	6,303,539	♦1,171,895	....	3,104,500	2,027,144	....	....	1.51	1.79	...	1.05	567,063	5,573,648	974,088	S. D. Brooks, chm.; H. S. Foley, pres.; R. Bell-Irving, 1st vice-pres.; G. F. Laing, vice-pres.; J. H. Lawson, sec.; Vancouver; D. A. Evans, resident mgr., Powell River, B.C.; Edward Brooks, J. M. Hollern, Minneapolis, Min.; R. H. Scanlon, San Francisco; Helen S. Sample, Chicago; A. H. Williamson, Vancouver. Vice-pres.—G. W. O'Brien, B. R. Cancell. Compt.—J. N. Turvey.
†Old stock.	1944			....	6,493,363	♦1,966,692	....	2,419,833	2,106,838	....	....	1.57	1.72	...	†3.00	762,143	5,376,963	597,700	
PRICE BROS. & CO.§	1945	8,000 sq. mi.	400,000	*11,400,000	6,849,212	♦1,845,000	9.00	2,585,000	1,849,388	32.94	38.38	2.81	3.37	5.50	1.50	†d31,426	13,161,896	974,000	H. J. Symington, chm., Montreal; Col. C. H. L. Jones, pres., Quebec; A. A. Aitken, vice-pres.; J. D. Johnson, J. C. Newman, P. F. Sise, W. A. Arbuckle; Montreal; Alfred Marois, A. C. Picard, A. C. M. Thomson, Quebec, P.Q.; Sir Keith Price, London, Eng. Vice-pres.—John H. Price, A. C. Price, G. F. Layne, W. P. Good, M. R. Kane. Sec.—Hector Cimon. Vice-pres. & treas.—P. W. Sims.
	1944			11,700,000	6,665,770	♦1,720,000	8.64	2,800,000	*1,073,336	19.05	25.18	1.39	2.02	5.50	1.50	d61,166	14,320,777	669,000	
*After $500,000 for employ. pens. scheme. †After $750,000 contingent res. *Refunded in May, 1946, by $9,835,000 3¼% issue.																			
ST. LAWRENCE PAPER MILLS	1945	6,000,000	180,000	....	1,276,110	♦657,738	....	186,912	431,460	3.39	....	d0.65	....	3.00	nil	40,161	4,229,023	......	A. K. Cameron, chm.; J. I. Rankin, pres.; Montreal; A. F. White, vice-pres. & man. dir., Toronto; P. M. Fox, gen. mgr.; H. C. Flood, R. W. Steele, N. A. Timmins, Jr., A. H. Campbell, G. B. Foster; Montreal; Aubrey Davis, Newmarket. Compt. & sec.-treas.—L. A. Tucker.
Controlled by St. Lawrence Corp.	1944	Cords		....	1,356,180	♦696,631	....	228,978	430,571	3.31	....	d0.68	....	3.00	nil	36,828	4,137,230	......	

♦Including depletion. dDeficit. ▪Also produces sulphite pulp. ▲Also produces groundwood pulp. §Also produces pulp, kraft and other wood products.

Fine Paper Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Total Inc. Taxes $	Net Profit After Total Taxes $	Earnings per Share Preferred Excl. Ref. EPT $	Earnings per Share Preferred Inc. Ref. EPT $	Earnings per Share Common Excl. Ref. EPT $	Earnings per Share Common Inc. Ref. EPT $	Dividends Paid Pref. $	Dividends Paid Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	
E. B. EDDY CO.	†1945	5,800 sq. mi.	♦138,000	4,000,000	1,190,819	519,399	4.80	......	*671,420	....	....	....	....	...	nil	......	4,301,912	......	W. G. Weston, chm., Caulfeild, B.C.; G. G. Gale, pres.; W. S. Kidd, vice-pres. & gen. mgr.; Ottawa; J. F. Taylor, vice-pres., Hull, P.Q.; H. J. Coon, compt.; R. A. Robertson, Toronto; G. C. Winlow, Ottawa. Sec. & treas.—R. F. Caldwell.
	1944	1,800 sq. mi.		....	1,156,991	526,417		......	*630,574	....	....	....	....	...	nil	......	....	......	
†Pro forma, after giving effect to bond issue, sale of subsid., and purchase of J. R. Booth, Ltd. *Before taxes.																			
HOWARD SMITH PAPER▪	1945	2,000 sq. mi.	115,000	3,600,000	3,791,608	1,400,758	17.98	1,079,307	1,082,884	15.10	16.02	1.96	2.16	6.00	1.00	319,710	7,905,083	284,936	Harold Crabtree, chm.; E. Howard Smith, pres.; G. H. Tomlinson, vice-pres.; E. K. Robinson, exec. vice-pres.; A. B. Wood, deGaspe Beaubien, W. A. Arbuckle, Howard Murray, J. D. Johnson, A. E. H. Fair, W. D. Robb, W. H. Howard; Montreal; J. H. Gundy, C. L. Burton. Toronto. Sec. and treas.—K. G. Pendock. Controller—J. R. Leslie.
	1944			4,825,000	4,059,111	♦1,728,523	10.82	972,986	1,056,703	14.74	15.39	1.88	2.02	6.00	nil	626,365	7,864,938	217,341	
PROVINCIAL PAPER	1945	2,500 sq. mi.	58,900	*2,740,000	931,664	300,000	3.74	165,500	297,154	‡8.49	....	0.52	....	7.00	nil	52,154	3,364,678	†115,386	D. W. Ambridge, pres.; W. H. Smith, vice-pres.; W. S. Barber, sec. & treas.; T. Broadhurst, H. Young, Allan Graydon, A. P. Jewett, A. P. Pounsford, J. S. D. Tory; Toronto.
	1944			2,848,500	1,154,905	300,000	4.85	426,000	252,813	7.22	8.47	0.08	0.51	7.00	nil	7,813	3,614,764	109,500	
All common stock owned by Abitibi Power & Paper Co. Ltd. †Including adjustment. *Called for redemption Nov. 1, 1946. ‡7% preferred; called for redemption Oct. 1, 1946, and replaced by $1,000,000 new 4% preferred.																			
ROLLAND PAPER	1945	....	25,000	1,900,000	510,331	211,954	4.23	95,711	132,086	8.84	8.94	0.71	0.73	6.00	0.60	6,310	1,170,108	35,875	J.-Pierre Rolland, pres., Montreal; Hugh Mackay, vice-pres., Rothesay, N.B.; Olivier Rolland, vice-pres., Mont Rolland, P.Q.; J. A. Raymond, J. A. Weldon, Montreal; Jean Paul Rolland, St. Jerome, P.Q.; J. Y. Murdoch, Toronto. Sec.-treas.—J. A. Forget.
	1944	....		1,900,000	507,284	193,303	3.60	91,852	134,879	8.99	9.02	0.75	0.75	6.00	0.60	8,878	1,283,662	34,341	
WESTMINSTER PAPER	*1946		†9,000	....	229,842	41,258	....	80,000	108,584	....	....	1.14	....	...	0.50	60,795	334,376	6,600	J. J. Herb, chm., Bellingham, Wash.; E. M. Herb, pres. & mgr. dir., New Westminster, B.C.; F. J. Herb, vice-pres., Bellingham, Wash.; F. F. Foote, sec.-treas.; R. C. Onkels, J. G. Robson; New Westminster; A. D. Lauder, Vancouver; C. Bentall, R. L. Cliff.
	*1945			....	210,040	37,699	....	75,000	97,341	....	....	1.02	....	...	0.50	73,446	331,087	6,600	
*Year ended Jan. 31. †New plant to double capacity nearing completion in 1946.																			

▪Also mfrs. pulp products and by-products. ♦Including depletion.

Pulp Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Total Inc. Taxes $	Net Profit After Total Taxes $	Earnings per Share Preferred Excl. Ref. EPT $	Earnings per Share Preferred Inc. Ref. EPT $	Earnings per Share Common Excl. Ref. EPT $	Earnings per Share Common Inc. Ref. EPT $	Dividends Paid Pref. $	Dividends Paid Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	
B. C. PULP & PAPER	1945	242 sq. mi.	124,000	4,091,300	1,760,078	375,863	4.58	540,000	414,541	74.53	....	3.76	....	nil	nil	414,541	2,255,529	......	Lawrence Killam, pres.; George Kidd, vice-pres.; R. C. Buchanan, W. H. Malkin, K. C. Allen, Cecil Killam; Vancouver, B.C.; I. W. Killam, Montreal, P.Q. Sec.—Miss E. M. Dominy.
	1944			4,509,900	1,436,599	445,000	3.26	300,000	352,721	63.42	....	3.14	....	nil	nil	352,721	2,233,627	......	
BROWN COMPANY	1945	†5,094 sq. mi.	‡120,000	15,098,573	4,247,759	1,364,637	†2.53	923,000	1,219,808	8.44	....	0.17	....	nil	nil	1,219,808	13,971,802	239,825	F. G. Coburn, pres., New York, N.Y.; J. P. St. Laurent, sec., Quebec, P.Q.; Robert Braun, Portland, Me.; O. B. Brown, Berlin, N.H.; J. B. Challies, G. A. Morris, Montreal, P.Q.; J. J. Hagerty, H. P. Kendall, Boston, Mass.; L. F. Whittemore, Pembroke, N.H. Vice-pres.—H. G. Schanche, Wentworth Brown. Vice-pres. & treas.—E. H. Maling. Compt.—R. R. Norwood.
	1944			15,326,656	4,665,608	1,409,590	†2.72	1,215,000	1,298,244	8.99	9.87	0.22	0.28	nil	nil	1,298,244	13,384,194	375,351	
†Based on earnings available for bond interest in accordance with trust deed. ‡Of Brown Corp., wholly owned Canadian subsidiary.																			
DRYDEN PAPER§	†*1945	2,000,000	35,000	‡835,000	426,739	♦294,167	1.85	20,092	18,897	....	....	0.13	....	...	nil	22,025	510,702	25,406	F. A. Sabbaton, pres., Montreal; J. S. Wilson, vice-pres., Dryden, Ont.; George Chahoon, P. A. Thomson, Dan McLachlin, J. B. Woodyatt, E. R. Parkins, F. B. Kilbourn, J. R. S. McLernon; Montreal. Gen. mgr. and treas.—L. A. Bruce. Sec.—J. B. Davison. Compt.—G. M. Shand.
	*1944	Cords		923,000	481,977	♦263,842	3.36	66,277	85,812	....	....	0.57	0.75	...	nil	85,812	807,347	27,015	
*Year ended Sept. 30. †Consolidated statement in 1945. ‡Redeemed Aug. 1, 1946; $1,500,000 refunding bonds issued in June, 1946.																			
FRASER COS.▲	1945	5,340 sq. mi.	173,400	7,000,000	5,542,523	♦1,737,549	14.02	1,770,000	1,763,638	....	....	4.75	....	...	2.00	1,021,606	6,349,634	485,000	Harold Crabtree*, chm., Montreal; Aubrey Crabtree*, pres. and gen. mgr.; L. M. Sherwood*, vice-pres. and controller, Edmunston, N.B.; A. H. Campbell, Hon. F. P. Brais, H. P. Thornhill, Montreal; A. M. Irvine*, Stanstead, P.Q.; S. F. Duncan*, Toronto; A. W. Brebner, Campbellton, N.B.; Hon. R. B. Hanson, Fredericton, N.B. Sec.—G. G. Gillies. Treas.—H. H. Henderson. *Member executive committee.
	1944			7,000,000	6,129,187	♦1,496,693	7.92	2,590,000	1,457,751	....	....	3.93	4.63	...	1.05	1,068,184	5,691,434	569,000	
MINAS BASIN PULP & POWER	1945	250 sq. mi.	30,000	607,935	187,296	61,352	*3.18	‡	72,550	....	....	4.26	....	nil	nil	72,550	148,092	......	Albert Parsons, chm., Walton, N.S.; R. A. Jodrey, pres. & man. dir.; D. W. Murray, vice-pres.; G. H. Nichols, treas.; J. J. Jodrey, sec.; L. G. Bishop, Hantsport, N.S.; C. P. Wyman, Portneuf, P.Q.; G. A. Chase, L. B. Chase, Port Williams, N.S.; F. M. Covert, F. C. Manning, R. W. Harris, Halifax; K. L. Crowell, Bridgetown, N.S.; D. S. Hennigar, Berwick, N.S.
	1944			710,000	167,200	61,005	*2.17	25,000	23,995	9.60	....	0.93	....	nil	nil	23,995	♦132,870	......	
*After int. on loans. ♦Excess of curr. liabs. over curr. assets. ‡None provided in 1945, amt. set up previously deemed sufficient.																			

§Also produces kraft, manila and building papers, bags, etc. ▲Also produces bond and specialty papers and lumber products. ♦Including depletion.

Miscellaneous Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Total Inc. Taxes $	Net Profit After Total Taxes $	Earnings per Share Preferred Excl. Ref. EPT $	Earnings per Share Preferred Inc. Ref. EPT $	Earnings per Share Common Excl. Ref. EPT $	Earnings per Share Common Inc. Ref. EPT $	Dividends Paid Pref. $	Dividends Paid Com. $	Surplus for Year $	Working Capital $	Total Refund. Portion $	
BARBER-ELLIS OF CANADA•	1945	....	......	309,200	‡312,717	......	11.00	130,000	63,373	52.81	69.48	1.34	1.80	3.50	0.75	26,173	690,283	117,800	E. Harvey Ellis, chm. and pres., Toronto; C. G. Ellis, vice-pres. and gen. mgr., Brantford; Harold Holt, sec.-treas., Toronto; J. S. Ellis, Montreal; F. M. Ellis, Arthur Fogler, T. A. Thornton, K. W. Murphy, Edward H. Ellis; Toronto.
‡After depreciation.	1944	....	......	322,400	‡314,136	......	15.63	234,000	60,042	50.04	84.20	1.27	2.20	3.50	0.75	22,842	673,446	97,800	
										"A"		"B"		"A"	"B"				
BATHURST POWER & PAPER	1945	18,500,000	▲45,000	....	1,118,818	♦505,539	....	285,000	377,778	0.94	....	d1.41	....	1.00	nil	d22,222	3,424,169	6,863	R. L. Weldon, pres.; P. A. Thomson, vice-pres.; H. J. Webb, vice-pres. & sec.-treas.; Joseph Simard, A. J. Nesbitt, J. B. Woodyatt; Montreal; H. P. Robinson, Saint John, N.B.; R. G. Ivey, London, Ont.; Hon. G. P. Burchill, Nelson, B.C.
	1944	Cords		....	1,344,075	♦480,094	....	353,106	380,450	0.95	....	d1.40	....	1.00	nil	d19,550	4,383,552	13,092	
BUILDING PRODUCTS**	1945	....	......	1,000,000	1,680,096	160,675	....	1,171,000	335,242	....	....	0.69	1.09	...	0.60+0.05	21,042	2,443,764	556,266	P. R. Allen, chm., East Walpole, Mass.; W. R. McNeil, pres.; C. P. Cowan, vice-pres. & gen. mgr.; D. P. Hatch, vice-pres.; R. C. Crooker, sec.-treas.; Winthrop Brainerd, G. M. McKee, G. H. Montgomery; Montreal; H. R. Tudhope, Toronto.
	1944	....	......	....	1,459,216	124,802	....	1,000,000	334,414	....	....	0.69	1.01	...	0.60	44,384	1,871,923	366,915	
												"A" & "B"		"A"	"B"				
CANADIAN WALLPAPER	*1946	....	......	....	......	......	....	......	185,073	....	....	*1.43	†1.89	...	1.00	55,827	1,752,136	243,306	Arnold Ashton, pres., Toronto; A. Whittle, vice-pres., Manchester, Eng.; John Prescott, sec.-treas.; R. N. Boxer, Gerald Staunton, F. M. Hulbig, J. P. Ramsay, R. R. Sparling, L. K. Redman, D. A. MacKenzie; Toronto; R. H. Gillean, H. S. Foster, R. H. Gillean, Jr., Montreal; A. V. Sugden, A. Jackson, Manchester, Eng.; Ralph Entwisle, A. R. Wildey, London, Eng.
	*1945	....	......	....	......	......	....	......	132,841	....	....	*1.03	†1.46	...	1.00	3,595	1,751,019	184,075	
*Year ended Apr. 30. *Excluding (†including) refund. EPT of subsidiaries.																			
										"A"		"B"		"A"	"B"				
CANADIAN WIREBOUND BOXES	*1945	....	......	†88,331	531,885	57,716	....	389,800	84,369	•1.39	•2.74	•d0.14	▲1.25	1.50	nil	d5,444	300,662	123,100	A. M. Dunn, pres. and man. dir.; S. B. Playfair, vice-pres.; J. S. Dickson, Carr Hatch, E. G. McMillan, H. L. Trapp; Toronto; A. K. Cameron, Montreal. Sec. F. H. Ellis. Treas.—J. P. Berney.
	*1944	....	......	†100,107	402,729	62,831	....	268,100	71,798	•1.25	•2.12	•d0.32	•0.79	1.50	nil	d12,837	245,155	65,300	
*Year ended Apr. 30. †Mortgages payable. •Before (▲after) participation.																			
CORRUGATED PAPER BOX	1945	....	......	300,000	343,490	54,317	....	189,468	96,455	21.43	27.09	1.25	1.80	§	nil	58,980	641,916	87,316	J. A. Whealy, pres. & treas., Toronto; Henry Hilton, mgr., Winnipeg; F. L. Clouse, man. dir. folding carton div.; Wm. Zimmerman; Toronto; Sec.—E. R. Bluethner.
	1944	....	......	300,000	315,213	45,266	....	189,879	80,068	‡13.11	‡17.35	0.79	1.34	‡7.00+7.00	nil	d8,405	580,693	61,879	
‡Old stock. §Dividends of $5.25 pd. on old pref. and initial $1.25 pd. Dec. 1, 1945, on new pref.																			
DOMINION CONTAINERS	1945	....	......	515,000	207,835	......	....	......	......	....	....	....	....	nil	nil	......	333,583	95,309	C. N. Moisan, pres. & gen. mgr.; Hon. Wilfrid Gagnon, J. A. Moisan, vice-pres.; Mendoza Langlois, T. M. Barrington; Montreal. Sec.-treas.—T. A. Moisan.
♦Issued Jan., 1945.	1944	....	......	♦550,000	215,591	......	....	......	......	....	....	....	....	nil	nil	......	332,723	75,930	
DOM. ENVELOPE & CARTONS•	1945	....	......	....	241,522	17,636	....	181,663	42,223	10.22	17.68	0.42	0.88	3.50	....	27,766	303,304	93,697	D. H. Ross, pres. & gen. mgr., Winnipeg; P. C. Shamper, vice-pres., Edmonton; E. G. P. Baker, John Martin, Robert McKay, Winnipeg; C. E. Whitten, G. W. Brown, G. M. Willoughby, Toronto. Sec.-treas.—J. Campbell.
Controlled by Gair Co. of Canada Ltd.	1944	....	......	....	258,247	18,809	....	200,612	38,826	9.40	17.78	0.37	0.89	3.50	nil	24,369	297,289	62,916	
GAIR CO. CANADA	1945	....	......	859,600	914,583	233,784	8.98	350,611	234,342	....	....	2.54	2.92	...	1.75	72,817	1,748,993	131,283	G. W. Brown, pres. and gen. mgr.; C. E. Whitten, vice-pres. and treas.; G. M. Willoughby, sec.; Toronto; G. E. Dyke, New York; T. R. Pierce, Wellesley, Mass.
	1944	....	......	887,600	997,617	227,988	8.42	411,998	239,254	....	....	2.59	3.07	...	nil	239,254	1,654,491	96,044	
Capital stock all owned by Robt. Gair Co. Inc.																			
G. W. HENDERSHOT CORR. PAPER†	1945	....	......	....	57,592	11,736	....	18,605	27,251	....	....	0.91	....	...	nil	......	170,964	......	G. W. Hendershot, pres., Hamilton, Ont.; T. R. Harrison, vice-pres., Toronto, Ont.; M. F. Brevillier, sec.; S. S. DuMoulin, Argue Martin; Hamilton, Ont.
	1944	....	......	....	61,641	12,180	....	21,423	28,039	....	....	0.93	....	...	0.15	19,039	131,295	......	
†Taken over by Hendershot Paper Products Ltd. in March, 1946.																			
HINDE & DAUCH PAPER	1945	....	......	....	894,789	208,369	....	279,191	407,229	....	....	1.36	....	...	1.00	107,229	2,587,288	102,316	Sidney Frohman, pres., Sandusky, Ohio; L. F. Winchell, vice-pres. & gen. mgr., Toronto; J. H. Macleod, sec., Sandusky, Ohio; T. E. Lloyd, treas.; M. H. McArthur, gen. sales mgr.; R. L. Warren, Toronto; M. H. Murch, Cleveland, Ohio.
	1944	....	......	....	915,331	200,456	....	296,439	418,436	....	....	1.39	1.41	...	1.00	118,453	2,373,817	77,619	

♦Including depletion. dDeficit. •Envelopes, stationery, specialty supplies. ▲Kraft liner board; in addition, 22,000 tons unbleached sulphite pulp, 24,000 tons cylinder board, and 24,000 tons newsprint paper. **Building papers, insulating board, wallboard, etc. ‡Bond and Bristol tissue, waxing, hanging, writing and book papers, paper bags, newsprint, paperboard, etc.

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U.S. Pressure for More Canada Pulp May Push Exports Above 1945 Peak

(Continued from page 36)

nually, bulk of which is exported to the U. S.

The U. S. has made large strides in increasing its domestic production of wood pulp, but the gap between production and requirements can't be met from home production, it is conceded. In 1945, despite subsidies to put marginal mills into operation, the best the U. S. could do was to produce 10.2 million tons of wood pulp, against seven million tons in 1939, an increase of 45%. Consumption was still 1.2 million tons above production and meant that amount of Canadian imports as Scandanavian countries had not resumed export shipments to the U. S. in any volume.

Most observers concede that U. S. demands on Canada for wood pulp will eventually stabilize at levels requiring exports of at least one million tons annually (twice prewar rates).

Here is the record of Canada's 1945 wood pulp production and where it went:

	Tons
Production	5,586,804
Retained in Canada	4,152,277
Exports	1,434,527
To United States	1,079,014
Elsewhere	355,515

In terms of type of wood pulp produced, mechanical pulp stood first with a production total of 3.2 million tons. Production of sulphite pulps amounted to 1,637,877 tons; sulphate pulp, 479,616 tons; other soda, 35,617 tons and chemical screenings, 56,835 tons.

Because of the price increase made last April, amounting to 10% gross revenue from wood pulp sales, this year will undoubtedly constitute a new record for the industry. Here are the prices which prevailed as a result of that increase. These prices don't take into consideration the subsequent 10% increase made by the industry to compensate for dollar parity. That price increase is now being considered by the OPA.

	Per-ton
Bleached sulphite	$94
Unbleached sulphite	82
Bleached sulphate	94
Unbleached sulphate	76
Groundwood pulp	58

J. R. Booth

J. R. Booth Ltd. with an estimated annual capacity of 54,000 tons annually of pulp and paper products at its four Ottawa plants, was acquired by the E. B. Eddy Co. in June of this year. Acquisition of these assets by E. B. Eddy Co. is expected to result in increased efficiency in the combined operations through the integration of production facilities and the elimination of duplicate operations.

B. C. Paper Co.

British Columbia Pulp & Paper Co., organized to acquire the assets of Whalen Pulp & Paper Mills Ltd., manufactures various grades of bleached sulphite pulp at its Woodfibre and Port Alice, B.C., plants.

Combined capacity of the two plants is 400 tons daily. To meet the need of greater economy in the use of wood, the company is now installing a hydraulic barking plant and a new power plant at Woodfibre.

The company controls by lease from the British Columbia Government and other interests, approximately 150,000 acres of timber lands, estimated to contain approximately four billion feet of timber. The mill at Woodfibre has its own hydraulic development of about 3,000 h.p. supplying ample power. The waterpower at Port Alice, which is adequate for the ultimate development of 20,000 h.p., will be developed as required.

Operating profits in 1945 totalled $1.3 millions. Net profit was $414,541, equivalent to $3.76 per common share, $3.14 in 1944. Operation of plants was at 80% of capacity last year as shortages of necessary materials caused some curtailment in production. Market demand for the company's products continued greatly in excess of the output. Sales prices were generally unchanged.

Prices for bleached sulphite pulp were increased $8 per ton on U. S. shipments, $10 a ton on Canadian shipments in April. Dollar parity hurt company earning power on that portion of the company's production marketed in the U. S. although steps were taken to offset this by raising the price of woodpulp 10%. As soon as OPA authorizes this increase in the U. S. ceiling price on woodpulp, the company will be in a position to realize $103.40 per ton for its bleached sulphite pulp f.o.b. New York. This would compare with an $86 per ton price which had prevailed since 1944.

Interest and sinking fund payments on the company's 6% first mortgage bonds and on its 7% bonds were made in full last year. No dividends on preferred or common shares were paid in 1945, but a dividend of 1¾% on the preferred shares was paid May 1, 1946. Another dividend of $1.75 was paid on Aug. 1, 1946. Arrears after giving effect to these payments remain at $101.50 per share.

As a result of a loggers' strike, the Port Alice plant was closed down for a period of two weeks this summer, Woodfibre was closed down six weeks. Both have since resumed operations.

Brown Corp.

Brown Corp. produces bleached and unbleached sulphite pulp at its plant at La Tuque, Que., on the St. Maurice River. Plant capacity is about 120,000 tons annually.

A wholly owned subsidiary of Brown Co. of Berlin, New Hampshire, Brown Corp. owns some one million acres of freehold timber land and holds under license from the Quebec Government over 2 million acres.

Company sales in 1945 were $514,250 larger than in 1944 but operating profit of $614,963 was only half that of 1944, due largely to the increased cost of pulpwood. Net profits of Brown Corp. was $422,735, down $361,381 from 1944. The company experienced the squeezing effect of manufacturing costs rising against selling prices established by the Government. Though the Brown Co. had substantial relief through subsidies on its pulps, the Canadian company had no such relief. The Canadian company suffered further from being required by the Government to produce certain unprofitable grades of pulp in larger quantities than the company would normally do, the annual report stated.

Price relief was received in April, 1946, however, when an across-the-board 10% price increase was given for woodpulp. Since the Canadian dollar was revalued at par, the company, in conjunction with other units in the industry, raised its prices by 10% and though this increase has not yet been formally recognized by OPA, it has allowed woodpulp sold in the U. S. market to be billed on an open-face basis. It is expected that the price of woodpulp will be raised shortly by the U. S. to compensate for dollar parity.

Substantial progress was made during the year at the La Tuque mill in the construction of a new dryer, to be installed this year. Total expenditure during 1945 on account of long-range program there was $693,000. Brown Corp.'s working capital at Nov. 30, 1945, was $6.8 millions, a decrease of $133,604 during the year, the decrease being due to (1) writing down the pulpwood inventory to account for inventory loss; (2) expending $944,530 for capital improvements; and (3) adding $60,031 to special deposits under its new bond indenture.

Consolidated net profits for the parent company for the 28 weeks ended June 15, 1946, were 89% higher than in the corresponding period last year. Just how much was contributed by the Brown Co. was not revealed, but it is likely that net Brown Co. profits are running ahead of last year.

Cons. Paper Co.

Consolidated Paper Corp., besides being an important factor in newsprint, kraft paper and other products, produces kraft and sulphite pulps for sale over and above the requirements of its own paper machines.

Surplus pulp for sale amounts to 31,000 tons of sulphite pulp and 40,000 tons of kraft pulp. Sulphite pulp surpluses are represented by operations in the Laurentide division at Grand Mere and the Port Alfred division. The Wayagamack division at Three Rivers and Cap de la Madeline, Que., has the surplus kraft pulp capacity.

Though there were no increases in woodpulp prices in 1945, despite rising costs, there have been two increases to date this year. The first was made in April, 1946, by OPA and amounted to a flat 10% increase in price. Canadian domestic prices were also increased at that time. The second increase was made by the industry itself in response to dollar parity. As yet this increase hasn't been confirmed by OPA. But this pricing agency has not yet approved this increase, though it has done the next best thing: it has permitted Canadian mills to bill their customers on an adjustable price basis.

Fraser Cos.

Fraser Cos., established in 1877, is a manufacturer of bleached and unbleached sulphite pulps, groundwood pulp, paperboard, has sawmills and shingle mills. Through subsidiaries the company manufactures bond and other bleached specialty papers, bleached sulphite pulp and dissolving pulps.

Approximate capacity of the plants of the company and its subsidiaries are: Edmundston, N.B.—66,000 tons per annum of bleached sulphite pulp; 9,000 tons of unbleached sulphite pulp; 18,000 tons of paperboard, and 43,000 tons of groundwood pulp. Athol, N.B.—55,500 tons bleached sulphite pulp; Madawaska, Me.—48,000 tons high grade sulphite papers, 43,500 tons catalogue paper.

In addition the sawmills of the company have a combined manufacturing capacity of some 60 million board feet of lumber and a large production of shingles, laths and railway ties. At Edmundston, the company has developed a hydroelectric site of 2,000 h.p. and through the company's own transmission lines power is obtained from Grand Falls, N.B. The company owns some 1,530 square miles of freehold timber lands and controls another 2,315 square miles of Crown timber limits in New Brunswick and the eastern part of Quebec.

Total tonnage of pulp and paper produced and sold in 1945 was approximately the same as in the three previous years, but sales of lumber products were slightly higher. Diversion of woodpulp from the company's paper mills in Madawaska, Me., to other consumers, by order of the War Production Board, was not in effect during the last quarter of 1945. Shortages of manpower, particularly in the woods, was a source of concern to the company during the year.

Price increases, effective April 1, 1946, for certain pulp and lumber products will help 1946 company earning power. Softwood lumber prices were increased 8% and pulps from $4 a ton for groundwood pulp to $15 a ton for dissolving pulps. Net earnings for the year ended Dec. 31, 1945, decreased to $5.5 millions from $6 millions in the previous year as a result of higher wage and material costs. Premium on exchange amounted to some $1 million each year. Net 1945 profit was higher at $1.8 millions with earnings per share coming to $4.75 in 1945 ($3.93 in 1944) excluding refundable EPT.

Additions to plants and properties totalled $1.3 millions in 1945, being part of the program of improvement and modernization of the company's mills. Working capital at Dec. 31, 1945, at $6.3 millions was up approximately $650,000.

Company President Aubrey Crabtree recently announced planned expenditure of $4 millions to construct a new kraft pulp mill at Newcastle, N.B. It is expected that the mill, designed to produce 120 tons a day, will be

(Continued on page 40)

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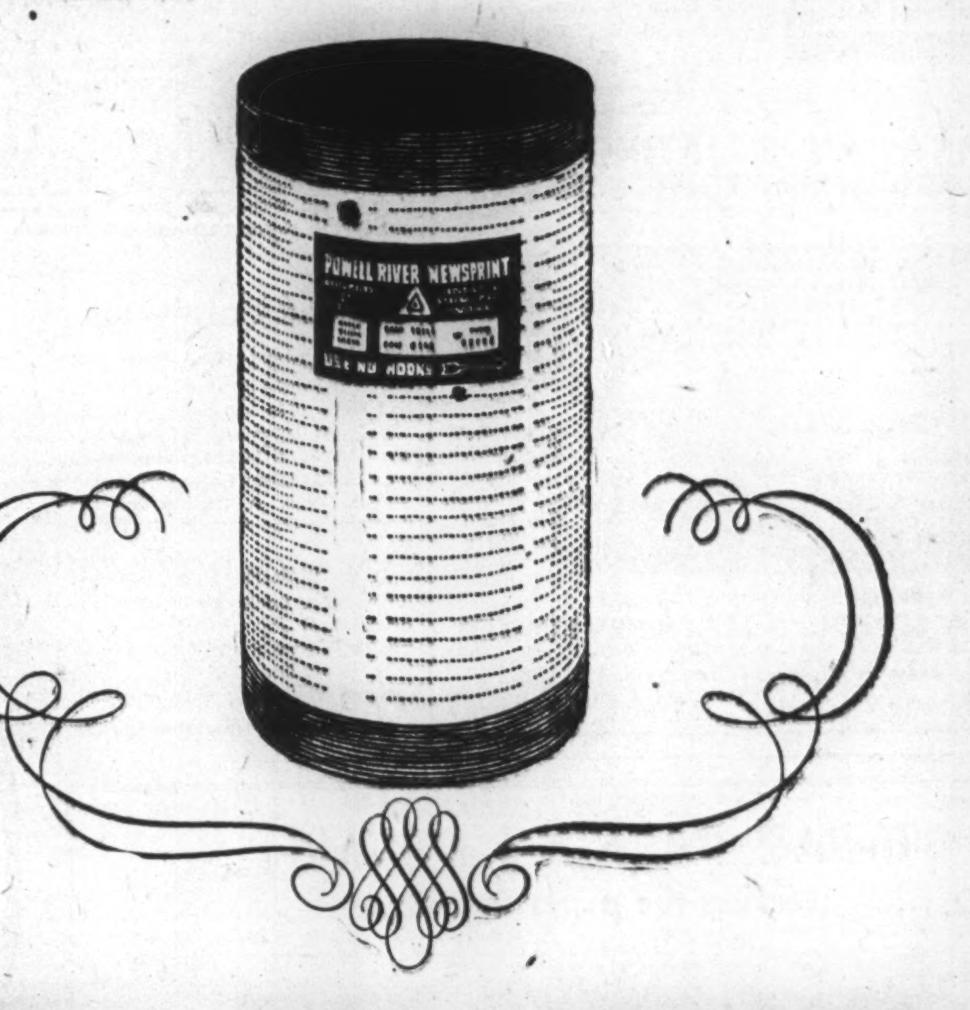

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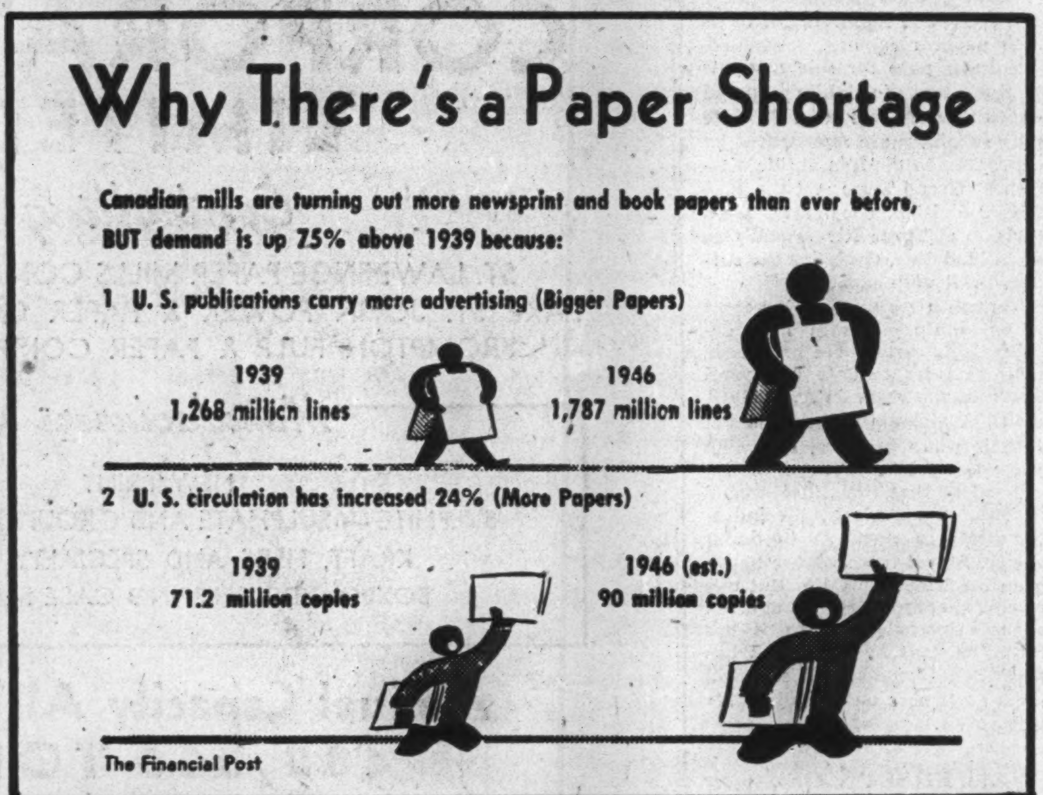
U. S. Wood Pulp Situation Remains Critical Only 17 Days Supply Reported on Hand in July

(Continued from page 39)

ready in 1948 depending on the company's obtaining the necessary property rights and privileges and the delivery of building materials, machinery and equipment. Earlier in the year announcement was made that Restigouche Co., fully owned subsidiary of Fraser Cos., would spend $1.5 millions in 1946 to extend capacity at its Athol, N.B. bleached sulphite pulp mill.



Gaspesia Pulp Co.

Gaspesia Pulp Co. produces a high grade unbleached pulp, said to be designed to meet the United States market requirements.

The company is privately owned and financed by interests which are said to be associated with the Rothermere Enterprises which also has a substantial interest in Anglo-Newfoundland Development Co. As a result this latter company has a substantial investment in Gaspesia Sulphite Co.

Before acquisition of the property by the Rothermere group about the end of 1936, a plant at Chandler, Que., had been idle for a number of years. In 1937, the Quebec Legislature passed special legislation to facilitate reopening of the mill. It was provided that the Gaspesia Company would have 524 miles of timber land situated on the Gaspé Peninsula, and an additional area not exceeding 600 miles of timber limits.

Lake St. John Power

Lake St. John Power & Paper Co. operates a complete pulp and newsprint plant at Dolbeau, Que., just north of Lake St. John, Que. It has a reasonable amount of surplus pulp for sale for which there is a very active market demand.

Coupled with great market demands for woodpulp, the price situation in 1946 compared to 1945 is so satisfactory that earnings from woodpulp operations this year for Lake St. John ought to exceed the 1945 levels, despite increasing costs, it is felt.

Minas Basin

Minas Basin Pulp & Paper Co. manufactures high grade mechanical fibre and groundwood pulp and is also an exporter of lumber.

Capacity of the company mill, located at Hantsport, N.S., is about 120 air-dry tons per 24-hour day.

The company plans to bring a new unit into operation this year and a new paperboard machine with an initial capacity of 20 tons a day, to be increased to 50 tons a day when additional driers can be obtained. At present, used paper, clippings and cartons are exported by the company. When the new machine is in operation these, as well as other coarse papers now manufactured, will be utilized in the production from the new machine.

Canadian Keyes Fibre Co., a Minas Basin subsidiary, plans to double the present molded pulp product output at its plant and to build a new plant. Estimated capital expenditures in this respect total $350,000 to $450,000.

Port Royal Pulp

Port Royal Pulp & Paper Co. operates a chemical pulp plant at Fairville, N.B., just outside the city limits of St. John, N.B.

Rated capacity is understood to be 100 tons daily with bulk of the plant output being sold in the U. S. and U. K. markets. Some tonnage is retained for the Canadian market being sold to the Rolland Paper Co., manufacturers of high grade book, writing and ledger paper, it is understood.

Control of the plant recently changed hands when the Lacroix brothers sold out their interests to K. C. Irving of St. John and associates.

Pulp presently being produced here is bleached sulphite pulp with some capacity consisting of high grade dissolving pulps for use in the rayon and Cellophane industry.

Quebec Pulp Corp.

Quebec Pulp & Paper Corp. discontinued pulp production in 1930 and since 1942 has been in bankruptcy as result of action taken by Quebec Streams Commission on a $1.8 millions claim for unpaid water taxes. A trustee for the properties was appointed at that time.

It is understood applications have been made by French industrialists for use of the company's idle pulp and paper machines but no final decision has been reached regarding this offer.

Company controls timber limits containing some five million cords of pulpwood of which four million cords is on freehold land. It also owns mill properties at Chicoutimi and Val Jalbert, Que., waterpower sites with a 60,000-h.p. potential of which 36,000 h.p. is developed, and various miscellaneous buildings and other assets.

Chief claimants against the assets of the company are the Government on unpaid water dues and the holders of the company's 70,000 shares of preferred stock. There has been marked interest in the preferred stock and it has been trading hands at higher prices over the past year.

Abitibi Power

While primarily a newsprint producer, Abitibi Power & Paper Co., also produces an important part of Ontario's suphite pulp. High-grade bleached sulphite pulp comes from Abitibi's Smooth Rock Falls mill on the Mattagami River, with rated capacity of 60,000 tons a year. Production was 63,128 tons in 1945, 62,314 in 1944, 63,447 in 1943. Sulphite pulp screenings were 2,323, 2,232 and 2,577 tons respectively, in the same years.

Restigouche Co.

Restigouche Co. manufactures paper grade bleached sulphite pulp and dissolving pulps including Resticose for the manufacture of rayon and Restophane for the manufacture of Cellophane.

The company, a wholly owned subsidiary of Fraser Cos. Ltd., holds approximately 1,495 square miles of freehold and Crown timber lands in New Brunswick and Quebec, situated on the watersheds of the Restigouche, Tobique and Green Rivers and their tributaries. These limits are estimated to contain seven million cords of pulpwood. The company also owns property at Atholville, near Campbellton, N.B., on which there is a modern bleached sulphite pulp mill of 185 tons daily capacity.

No financial statement has been issued by Restigouche Co. since 1939 while last statement on company's production was made in 1943.

An extension to the rayon pulp mill of the company is now under way and is to cost about $1.5 millions. The project includes a chemical mixing plant, a larger laboratory, installation of turbines and other improvements.

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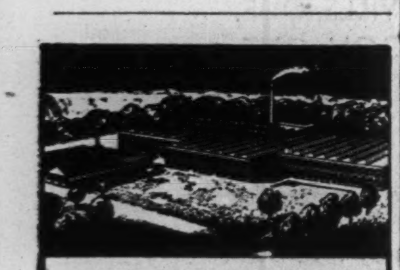

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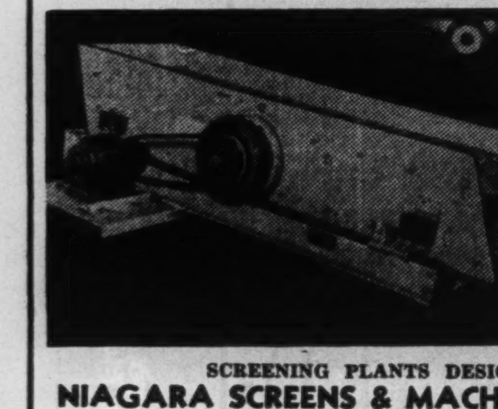

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Building Boom Hikes Sales Of Building Paper Industry

Three high signs gladdened the wood pulp building materials industry at VJ-Day. They have fulfilled their promise. They are:

1. Unprecedented building volume in response to pent-up demand;
2. Shortage of competitive materials, such as brick and lumber, and of bricklayers and plasterers;
3. Big gains in public acceptance of "dry wall" interior finish.

The anticipated building boom very clearly has materialized.

Some $3 billions of construction contracts are expected in the five years 1945-49—double the 1940-44 wartime total of $1.5 billions and better than triple the $0.9 billion 1935-39 total.

Boom Well Launched

Here are the recent evidences backing bopes for a $3 billions postwar building boom. Construction contract awards in 1945 totalled $409 millions, against $292 millions in 1945; in the first eight months of 1946 they totalled $460 millions, against $266 millions for 1945. The year 1946 unmistakably will boast a construction award total of above $600 millions, against the previous all-time peak of $580 millions in 1929, and a war peak of $394 millions.

While the wood pulp building materials industry delivers its products to a wide range of large and small building in the commercial and industrial categories, it looks to residential construction and repairs for its chief Canadian market. And that market is booming. Residential construction awards in 1945 totalled $196 millions, against $131 millions in 1944; in the first eight months of 1946 they totalled $151 millions, against $136 millions for the 1945 period.

Thus, despite supply shortages that at mid-year were hampering work in hand and curbing new starts, house building in Canada continued at an all-time peak and a huge continuing volume through 1947-48 appeared probable.

Inroad as Substitute

Wood pulp building materials are themselves falling short of demand because of raw material shortages and excessive building volume. But they're not as far short of demand as competing materials, such as brick and lumber. Added to this is the fact that scarcity of bricklayers and plasterers has been broadening use of paper-based wallboards and sheathings as substitute materials.

Here, ready made for the wood fibre line of building products, is another opportunity such as was presented with commencement in 1940 of a huge national program of temporary buildings to house the armed forces in training, some phases of munitions production and housing for warworkers. And it is an opportunity which the "board" and asphalt-paper products companies have been prompt to seize, judging (a) by current sales volume of these materials and (b) by the advertising budgets of the chief makers, listed in following paragraphs of this review.

"Dry Wall" Gains

Third factor backing optimism in the paper building materials field is recent rapid gains in public and official acceptance of "dry wall" construction, in which masonry and plaster give way to factory-made sheets and squares, etc., of wood fibre, asphalt-impregnated paper and kindred materials for interior finish, exterior sheathing, insulation and acoustic treatment.

To the fore currently, among factors in the progress of the dry wall method, are shortages hampering the competitive materials, shortage of brick, cement, lumber, and of masons and plasterers. But another, and many think more potent assist is in the still rising cost of building—now at least 50% above pre-war in most of Canada—which puts a premium on any device, material or method that will save work on the job site.

Dry wall, of course, fails to stir enthusiasm among brick and plaster devotees. But it has a contrary meaning for the large and growing "board" division of Canada's huge pulp and paper industry—more jobs, further diversification, continuous growth in sales.

Other lines, of course, stand to profit from the development. Examples are gypsum, asbestos. And there may emerge entirely new or greatly improved sheet building materials utilizing bark and sawdust instead of pulp. But the largest stake in dry-wall's progress appears to be that of the wood pulp industry which, it will be remembered, supplies the vast U. S. building market as well as Canada's.

But whatever the rate of advance of dry-wall construction, Canadians apparently seem intent on consuming huge quantities of building board, asphalt-paper sidings, roofings and related materials. These are materials widely used in established methods and designs of a wide range of building, maintenance and repair, and right now building and maintenance are pursuits in which just about the whole civilized world is engaged.

Building Products

Building Products Ltd. manufactures asphalt shingles and tiles, roll roofing, roofing felt, wallboard, insulation board and siding, building papers, expansion joints, waterproof paint and cement and some other building products—over 50 different types of roofing and other building products in all. Some of the firm's trade names are "B.P.," "Neponset," "Ruberoid," "Bird's," "Vulcanite," "Insul-Board," etc.

Building Products operate plants at Pont Rouge, Que.; Ville La Salle in Montreal, Hamilton, Ont.; Madoc, Ont.; Havelock, Ont., and Winnipeg, Man. At Pont Rouge is a two-machine paper mill, with facilities also for converting part of the paper produced into wallboard, insulating board and sidings. At Ville La Salle the company operates a roofing plant for production of asphalt roofing, shingles and sidings in various forms. A new paper mill also produces felt sand sheeting papers for "B.P." asphalt roofing shingles, etc. This paper mill has a capacity of 12,000 tons annually and was completed in Aug., 1945. In Nov., 1945, one unit was damaged by fire, but losses are believed covered by insurance and operations resumed last March.

Another roofing plant is located at Hamilton, Ont., and the company operates quarries and rock crushing plants at Madoc and Havelock. At Winnipeg is one machine paper mill with additional facilities for the manufacture of wallboard and insulating board.

President W. R. McNeil reports that 1945 sales reached a new high and that products will be in good demand for some time to come. Net profit in 1945 was $335,242. Earnings per share on the common stock were therefore 69c, excluding and $1.09 including, refundable Excess Profit Taxes. Expansion plans, some under way late in 1945, include $100,000 construction of additional buildings for storage at the Ville La Salle plant; and $350,000 improvements and machinery additions to plants at Hamilton, Winnipeg and Pont Rouge.

An official of the company recently told The Financial Post that sales this year so far had come up to expectations. For the balance of the year, however, supply of building materials is likely to have a considerable effect on sales. Nails, in particular, are in very short supply. If more become available, officials think business for 1946 should stay at a high level.

Head office of the company is in Montreal and sales offices are situated in Toronto, Hamilton and Winnipeg.

Int. Fibre Board

International Fibre Board Limited manufactures fibreboard under the trade name "Ten-Test," from wood screenings, a by-product in paper manufacture.

International Fibre Board is controlled by the International Paper Co., which owns $1,318,800 of the first preferred 7% cumulative $100 par stock of which $1,500,000 is authorized and outstanding. In addition it holds 64,999 shares of the second preferred and all of the common stock. No public offering of shares in the company has been made and shareholders of the old International Fibreboard Co. were given a certain number of shares of 7% first preference and $6 second preference stock in payment for properties of the old company.

The company was organized in 1928 to take over a plant at Midland, Ont., manufacturing about 25 tons a day of "Ten-Test" insulating building board, a wood fibre product. A new plant was constructed near the newsprint mill at Gatineau, Que., and has over eight acres of floor space and an ultimate production capacity of 600,000 square feet of board per day.

A by-product of "Ten-Test" manufacture is known as wood flour and is said to have a value in the manufacture of explosives, composition floors, and as an insulator. In 1938 International Fibre was appointed exclusive sales distributors in Canada for Masonite products.

Donnacona

Donnacona Paper Company Ltd. operates a newsprint mill with groundwood and sulphite pulp plant, at the junction of the Jacques Cartier and St. Lawrence Rivers, about 30 miles west of Quebec City. The company also manufactures insulating board in a mill built for the purpose; and in 1939 undertook to manufacture acoustical board.

In 1945, production of newsprint, sulphite and insulating board showed a decrease from the previous year due to insufficient pulpwood supply caused by labor shortage in the woods last year.

Capacity operations were anticipated for 1946 and along with other newsprint mills, Donnacona is running as close to capacity as supply of pulpwood will permit, President Robert P. Kernan stated at the first of the year that pulpwood supplies would not permit more than about 85% capacity run during the year.

A program of plant extensions and betterments started in 1944 is practically completed. The program included alterations embracing a modern electric drive on No. 3 paper machine. These and other improvements accounted for capital expenditures during 1945 of $886,428. Op-

(Continued on page 42)

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St. Regis congratulates the basic industries of Canada on their efforts to solve the problems of the quick change-over from war-time to peacetime production. The expansion projects which the Company already has under way are designed to keep the output of all its divisions in step with the increasing tempo of business in the postwar era.

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Management-labor Teamwork Needed For Industrial Harmony

By D. ROSS-ROSS
(Howard Smith Paper Mills, Cornwall)

So much has been written in recent years concerning management-labor relations, that it seems almost presumptuous to add anything further. However, these are difficult and fast changing times in the whole field of industrial human relations. Great responsibilities fall on the shoulders of both management and labor which must not be lightly cast aside.

Industrial peace, harmony and goodwill are essential to the life and progress of any country. Therefore, management and labor must form a team or partnership in a spirit of co-operative effort so that these ends and objects may be ultimately attained. All the old prejudices and bitternesses of management against labor organization must be forgotten and labor be asked to take its responsible place in industry. In other words, unions should be given an opportunity to function advantageously in carrying out certain duties and responsibilities in mill routine for which they are most eminently suited. In following such a policy, management must show a sincere desire for the co-operative effort in which they are asking the unions to participate. Sincerity on the part of both management and labor is the key to success.

Some Dictatorship

Unions on this continent, have a wide range of characteristics — so wide that the extremes bear little relationship, one to the other. There are those unions that are operated on the same lines as the late totalitarian states — straight dictatorships. The membership has little or no voice in their policies or operations. These, like dictatorships, may wield a great influence for evil, both for the public at large and for their own membership. This is not the Canadian or American way of life. In cases of this nature, adequate legislative control is needed.

At the other extreme of the scale, we find those unions which have a sincere, democratic foundation. The welfare of their membership is their prime concern, and their approach to the problem is fundamentally sound. Many unions have become very advanced in their thinking. They employ economists, research engineers and industrial engineers. They assist, by these means, weak industries who may fail; thus throwing their member-employees out of employment. Many other benefits are supplied to the membership. Such unions must endure in bad times as well as good.

Human beings being what they are, feel that they like to have an interest and a voice in any activity in which they are associated, whether it be a church organization, a club, a business, or an industry. They do not wish always to remain pawns. Bearing this human philosophy in mind, the assistance of unions can be advantageously used in many phases of industrial endeavour, to the mutual gain of management and employees alike.

Mutual Understanding

Such judicial planning and close co-operation leads to industrial goodwill and mutual understanding. Great value can be had from the employees from their intimate knowledge of many manufacturing problems; and often a clearer insight is obtained by them of the worries and perplexing tasks that beset management from hour to hour, and day to day. With this insight comes greater tolerance.

It is only necessary to look back at the criticism made of club executives by oneself when a humble member; and then to remember the entirely different viewpoint acquired on becoming a member of that executive. And so when the employee is given certain responsibilities, certain tasks outside the normal duties of his employment, he gains a picture of some of management's problems which he never knew existed. His horizons are increased. His sympathetic interest is aroused. His contacts with management are close. As industry grew, such contacts became more and more remote, less frequent, than a century ago when the owner was close to his employees.

How can these contacts be re-established? How can interest in management, multitudinous small, ever-existing problems be brought close to employees? How can management and labor be put to work gainfully, purposefully and co-operatively together?

The answer rests in the proper formation and selection of committees in which labor and management participate in equal numbers. Suggested are:—

1. Mutual Interest Board (often specified in labor contracts). It may have several subcommittees, such as:—
   (a) Safety First Committee
   (b) Suggestion Box Committee
   (c) Sports Committee
   (d) Picnic Committee
   (e) Cafeteria Committee.
2. Management-Labor Production Committee.
3. Various grievance committees.

The Mutual Interest Board deals with a very wide range of subjects that have a direct bearing on health, working conditions, recreation, entertainment, etc., of a specific nature where no subcommittees are concerned or of a general or policy nature where the subject is one belonging to one of those sub-committees. It is the largest committee, and should include the mill's top management, the superintendents, the foremen, certainly key office personnel, research and plant engineers, the personnel manager, the union executive and shop stewards and such others as the union may think necessary to appoint. The structure, must of necessity, vary widely with the size of the mill. In a very large organization the committee could become overwieldy. Normally, alternate months for meetings are sufficient.

In order that the meeting may be conducted in an orderly and expeditious manner, it is essential that the management and the union submit their proposed agendas to the board's secretary well in advance of the meeting.

These problems, mutually discussed, and on which decisions are reached, form a strong educational factor for the employees at large. By this means is conveyed the reason for certain company policies, and, at the same time, poor health and working conditions can be brought to management's attention and thereby rectified. Where improvements cannot be made, the employees know why and, therefore, they do not form a cause for grievance.

Safety First

The "Safety First" committee lends itself admirably to really constructive and co-operative effort. For example, mill safety inspection can and has been most successfully carried out entirely by union appointed inspectors. Such men report dangerous conditions existing at certain points in their specific departments to the superintendent or foreman. Machinery is provided so that work that should be done cannot be set aside and forgotten.

The "Safety-First" Committee should be composed of the manager, the superintendents, the safety director and the union representatives (including the inspectors) as well as the mill nurse.

At the meetings, safety statistics of the industry should be discussed and the progress of the mill considered. Inspectors should report on safety jobs which have not been done; and employees who have had accidents should be interviewed in front of the meeting, not for the purpose of putting them on the spot, but of finding out, in their opinion, what might have been done to avoid the accident.

A well-organized co-operative effort of this kind will lead to excellent safety results. In one case a mill had a very poor standing until a program of this kind was instituted. The mill in question has now led the industry in its province two successive years.

Suggestion Box

The Suggestion Box Committee is another place where management-employee close relationship can go far to contribute to the success of an industrial enterprise. Properly run, excellent results will accrue. It is interesting to note that the union members on the committee are just as tough on assessing the value of a suggestion as are the management members of the committee.

The Sports, Picnic and Cafeteria Committees, where such committees are required, are in every case a joint effort. Activities of this kind lead to better employee relationship through informal contacts between staff members and mill employees which is bound to take place at functions developed by those committees.

A very fundamental fact is often overlooked by management, and this is that employees are very close to their work and are, therefore, in a position to know many intimate details of the operations that are not so evident to management. It is, thus, clear and obvious that a healthy management-labor production committee can go far to increase ouput and efficiency, and decrease waste. This all adds up to decreased costs. Decreased costs and better quality of product leads to greater sales usually—and makes possible higher wages.

It was suggested earlier in this paper that even the Grievance Committees are a vehicle of closer understanding between management and labor if handled properly by both parties. They serve as an opportunity for the man in the mill to meet management and to become acquainted with certain problems that cannot be eliminated for one reason or another, and which a group of employees have considered as grievances. They get a sympathetic understanding of the problems and can take this understanding back to their fellow employees.

In this connection, a wise union will change the personnel of its committee constantly so that more and more of its membership has an opportunity of coming face to face with management. This eliminates any possible chance of a permanent committee being criticized as being "soft" by its members. From wider spread knowledge comes lesser criticism.

Arranging for the rotation of committee chairmen between labor and management gives beneficial results.

Where good management-labor relations exist, there is no doubt that full participation in job evaluation is excellent, once job rates have been adjusted to the job evaluation curve; and the training of a few capable and educated union members in time-study work to work co-operatively with the Industrial Engineerding Department, is not as ridiculous as it may sound.

The happy oganization is that one where mutual interest in one another exists and a realization that there are two sides to even labor or management problems.

Building Boom Hikes Sales Of Building Paper Industry

(Continued from page 41)

erating 1945 profit increased to $1,354,379 from $1,314,688 due to added efficiency and an advance in selling prices. Earnings per share were 77c. (73 in 1944). Total refundable portion of excess profits tax was $22,547 at year end, which is equivalent to six cents per share.

At a special meeting of shareholders April 29, 1946, an issue of $2.5 millions or ¼% preferred stock of $100 par, convertible into common, was authorized. This stock is redeemable at any time on at least 30 days' notice at $105 and accrued dividends and is convertible at any time on or prior to May 14, 1976, into common stock on the basis of four common shares for each preferred held. Before this stock issue, capitalization of the company did not include preferred stock.

At present, demand for company products exceeds the supply. These products are sold in Canada, the United States and overseas. Approximately 90% of newsprint output and approximately 55% of its sulphite pulp available for sale, is sold in the United States; sale of insulating board products is worldwide.

The groundwood pulp mill now has a capacity of 117,000 tons of pulp yearly and the insulating board mill an annual capacity of 80,000,000 square feet of board products. Newsprint capacity is 95,000 tons and sulphite capacity 40,000 tons annually.

Masonite Co.

Masonite Co. of Canada manufactures all grades and types of hardboard products for sale in Canada and export markets other than the United States.

It was formed in July, 1939 as a joint undertaking of Canadian International Paper Co. and Masonite Corp. A $300,000 mill at Gatineau, Que., has a capacity of approximately 35,000,000 feet a year. This plant started operation on Feb. 15, 1940, and in July, 1940, plans were approved for a $75,000 addition.

Primary distribution of the product in Canada is through the agencies of International Fibre Board Ltd. and Donnacona Paper Co. Authorized and outstanding 100,000 shares of $100 par value are all owned by Canadian International Paper Ltd. except for directors' shares.

Sidney Roofing

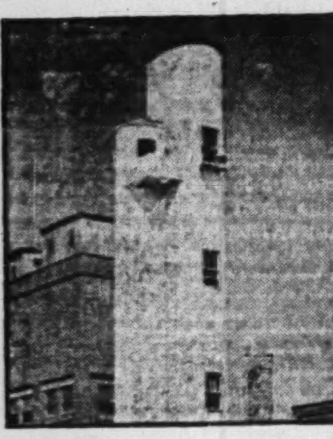
Sidney Roofing in its Victoria and Vancouver plants, turns out ground wood pulp, box boards, testing boards, felts, building papers and roofing papers.

An entirely new pulp mill was built in 1939 and expanded in the following year with a cost of around $125,000.

Expenditure of approximately $250,000 on extension to the company's plant on the industial reserve at Victoria, B.C., was announced last summer by President R. W. Mayhew. At the same time, Mr, Mayhew said, a further $250,000 would be spent in the expansion of the plant of the National Paper Box Co. of Vancouver, a subsidiary of the firm.

The new section of the Victoria plant will treble the output of roofing material and will enable the company to take care of former employees now returning from service overseas. A total of 180 workers were then employed at the plant of the Sidney Roofing and Paper Co.

The business was started in 1914 by six men in Sydney, Vancouver Island, and in 1919 was moved to the industrial reserve adjoining the Victoria city limits.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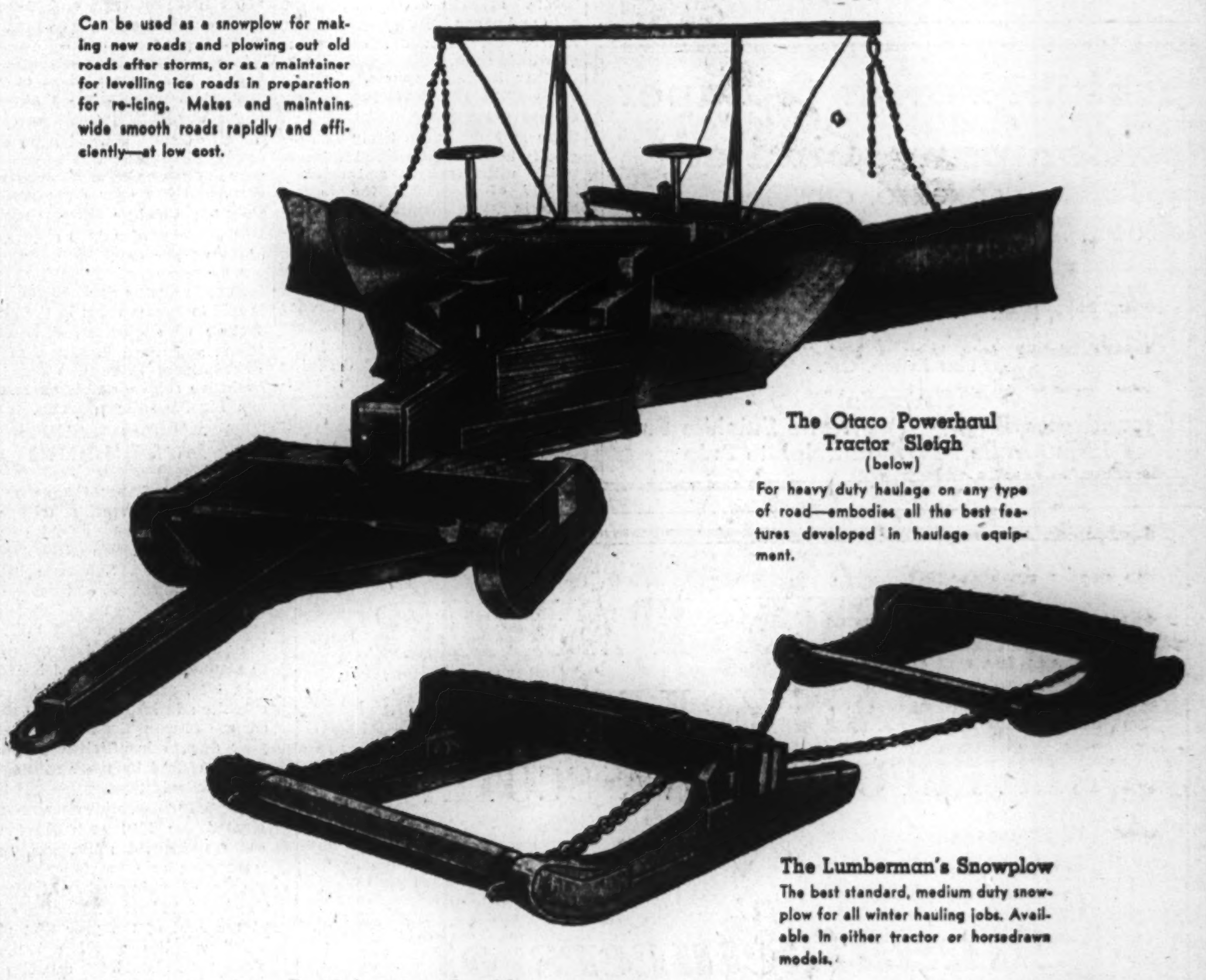
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Production of Paper Boxes, Containers Doubled But Industry Still Far Behind in Race With Demand

Despite an output rate which has more than doubled since pre-war, Canadian box and container plants are falling far behind in the race to keep up with record demand. WPTB has found it necessary to divert a large part of production into certain high priority channels.

Experts see a large percentage of the increased box and container business continuing even after present abnormal market conditions have passed. General volume of business and production will even off at a considerably higher level than pre-war, these experts say. Yet up until this year the whole pulp and paper industry has been trying to meet record postwar demands with a 1930 milling capacity. Present large-scale expansion plans for increased paperboard production are not expected to produce much improvement in the tight container situation for some months yet.

This summer WPTB ordered production of shipping cases and cartons for other than priority needs cut back 25%. "The paperboard mills and box factories just can't keep up with the increasing flow of goods coming onto the market; yet something had to be done to get even more boxes and kraft products diverted into the high-priority channels," a WPTB official told The Financial Post recently.

The high priority channels are Canada's food commitments, the construction industry and, at this time of year, the packaging of newly canned fruit and vegetables.

In normal years a large inventory position would be built up during winter months to take care of heavy fall demands. But this year, plant capacities were kept operating to the limit of rather tight raw material supply in just meeting demand backlogs.

When market conditions get back to normal, box manufacturers anticipate a return of the profitable fancy container business which has been more or less "out" in the face of regular line shortages. In the food and drug fields, particularly, demand for attractive combination packages is expected to surpass all pre-war records.

Corrugated Paper Box

The Corrugated Paper Box Co., Leaside, Ont., manufactures corrugated and solid fibre shipping containers and folding cartons. Through its subsidiary. Hilton Bros., it owns a plant at Winnipeg, Man.

Net profit for 1945 was $96,455 ($80,058 the previous year), representing share earnings of $21.43 on the 5% preferred and $1.25 on the common shares. In 1944 the common earned 79 cents a share. Working capital at year end showed a substantial improvement at $641,916 ($580,693).

A refunding issue of $450,000 first preferred cumulative redeemable sinking fund shares, $100 par value, and $300,000 3¼% first mortgage serial bonds, due 1946-52, was made in 1945, to redeem on Sept. 1, 1945, the 6,740 issued 7% preferred shares at $110 plus accrued dividends of $1.75 a share, together with the outstanding 2,691 income funding rights at $33.25 a share. In 1936 Carton Specialties was formed as a subsidiary to operate the folding carton business as a separate unit. Two additional machines were installed in 1940 to take care of increased production.

Current sales in corrugated divisions are being maintained at a high level, but paper supplies are still very tight.

Gair Co. of Can.

Gair Co. (Canada), a wholly owned subsidiary of Robert Gair Co. of the United States, manufactures a variety of corrugated and solid fibre paper containers and other paper products, in plants in Montreal, Toronto, Frankford, Campbellford, Hamilton, London and Windsor.

In 1945, paperboard production was 47,945 tons (48,068 tons in 1944). Total sales of all products of the company and its subsidiaries were 73,387 tons (66,757).

Retained net profit was $234,342, off slightly from the previous year, despite $600,000 increase in net sales and a sizeable reduction in income tax provision. Wage adjustments and higher prices for certain raw materials, such as fuel and chemicals, contributed in reducing profits.

Holdings of common stock of Dominion Envelope & Carton (Western Ltd.) at year end amounted to 60,080 or approximately 91%.

The waste paper situation remains critical. If conditions improve, an attempt will be made to reopen the Dominion mill as the demand is sufficient to ensure operation at capacity for a considerable period. Working capital position at year end was $1,748,993 ($1,654,491 a year before).

Hinde & Dauch

Hinde & Dauch Paper Co. of Canada manufactures fibre shipping boxes, corrugated paper products, paperboard and straw paper for corrugated purposes, at Toronto, Trenton and Montreal; has sales offices in a number of cities.

A new high in sales was set in 1945, with approximately $7 million. Net profit was off narrowly at $407,230, due to higher manufacturing costs, in principal raw materials and in labor. Total assets were up 4.5% and working capital at $2,587,288 showed an 8.2% improvement.

Principal problem as far as the paper mills are concerned, remains that of an adequate raw material supply. The situation on wastepaper stocks is critical; box factories continue to operate below maximum, on account of the paperboard shortage. At present most paperboard products are being directed into priority channels. The labor situation has improved considerably and is now adequate to the company's needs.

The Toronto plant contains two paperboard machines, with combined capacity of approximately 225 tons daily and two box-making divisions with combined capacity of approximately 13 carloads daily. The Trenton plant produces strawboard for corrugating purposes and lightweight chipboards. Daily capacity is six carloads.

Operations at Montreal are confined to fabrication of solid fibre and corrugated shipping boxes, from paperboards produced at Toronto and Trenton. Capacity is six carloads daily.

In 1945 capital additions totalled $92,936, while $354,564 was spent in ordinary maintenance of property and equipment. Production to April 3, 1946, has been at about the same level as for the same period in 1945 despite critical shortage of material, L. F. Winchell, vice-president and general manager, reports to shareholders.

G. W. Hendershot

The G. W. Hendershot Corrugated Paper Co. manufactures corrugated paper box containers and allied products. Plant is at Hamilton, Ont. Sales are largely through contracts with large department stores and distributors in eastern Canada.

A new company, Hendershot Paper Products Ltd., was incorporated in Ontario in March, 1946, to acquire the business of G. W. Hendershot Corrugated Paper Co. A new issue of $225,000 5% preferred shares, par 100 in the new company was offered at $100 and accrued dividends. Proceeds are to provide, in part, funds required for the purchase. Capitalization outstanding will consist of $255,000 5% preferred shares and 30,000 no par value common shares.

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Shortage of Specialty Tissue Paper Said Due to WPTB Conservation Plan

Many types of specialty papers have become casualties to the WPTB paper conservation programs. Toilet paper, tissues, paper serviettes are just a few of the lines currently in tight supply.

The wallpaper industry has fared somewhat better. Old wartime restrictions on number of styles have been removed and the tight paper supply picture has eased somewhat this summer. Paper supply, however, is still far from adequate and export is out of the question as yet.

The specialty field is anticipating an unprecedented activity when controls are removed and competitive industries are able to make packaging an adjunct to selling again.

Can. Wallpaper

Canadian Wallpaper Manufacturers through subsidiaries manufactures and sells wallpaper, and is the largest producer in its field in Canada. Operating plants are in New Toronto and Montreal.

Net profit for the year ended April 30, 1946, was up 39.3% mainly attributable to a higher taxable income, coupled with the fact that accounts submitted are subject to income and excess profit taxes at 1945 rates for eight months and to the lower rate in 1946.

The company is unable to meet the unprecedented demand for products, President Ashton stated in the annual report. Token shipments to overseas markets have been maintained. Amount of goods which can be manufactured is still limited by the amount of paper available, and little improvement in supply can be anticipated for the remainder of the year, the president said.

Complete possession has been obtained of the plant at Leaside of Staunton's Ltd., a subsidiary, where manufacturing operations have been established. The Government occupied the plant from 1943 to 1945 on a rental basis.

Other wholly owned subsidiaries are Reg. N. Boxer Co., New Toronto; Watson, Foster Co., at Montreal, and Empire Wallpapers, which operates as a sales outlet for the products of Canadian Wallpaper Manufacturers, with wholesale and retail stores in Toronto, Montreal, Winnipeg, Saint John, Ottawa, London and Kitchener.

Dryden Paper

Dryden Paper Company manufactures sulphate pulp and kraft, manila and building paper, and grocery bags. The mill, at Dryden, Ont., has an annual capacity of about 30,000 tons of sulphate pulp. Market for the company's paper products is chiefly in western Canada, but surplus pulp is sold largely in the United States.

Savings in manufacturing costs from a plant improvement program completed in the summer of 1945, have exceeded estimates, the company states. Some $500,000 was spent in the 1944-45 year and more than $1.2 millions since 1940.

Tonnage of products sold in the year ended Sept. 30, 1945, was slightly above the previous year, although operating earnings were lower at $438,829 ($496,837 in the previous year), due to higher costs of labor, pulpwood and other materials.

This spring the company issued $3 millions 4% first mortgage Canadian pay bonds, $1.5 millions to be used to retire a bank loan and to redeem outstanding 6% bonds, payable in Canada or the United States at the holder's option. The company saved over $79,500 on retirement of the 6% first mortgage debt on Aug. 1, as a result of parity in the Canadian dollar, it is stated.

Timber limits of 1,100 square miles are held under 20-year renewable leases from the Ontario Government. The limits are estimated to contain about 2 million cords of pulpwood (about 50 years' supply at the present rate of consumption), without allowance for reforestation, growth or purchase from other sources.

The company owns in fee simple hydroelectric power capable of developing 7,000 h.p., of which 6,900 h.p. is in operation.

Working capital at Sept. 30, 1945, was $510,702, ($807,347 a year before).

National Cellulose

Sanitary paper products are the chief items turned out by National Cellulose Co. of Canada and its associate, Dominion Cellulose, at Mount Dennis, Ont. Hospital supplies, toilet papers and towels and testing tissues, under the brand name "Facelle" are manufactured and have been in very heavy demand.

Interlake Tissue

Interlake Tissue Mill Co., at Merritton, Ont., produces some 10,000 tons of paper specialty products a year—crepe decoration paper, paper napkins, towels and allied products.

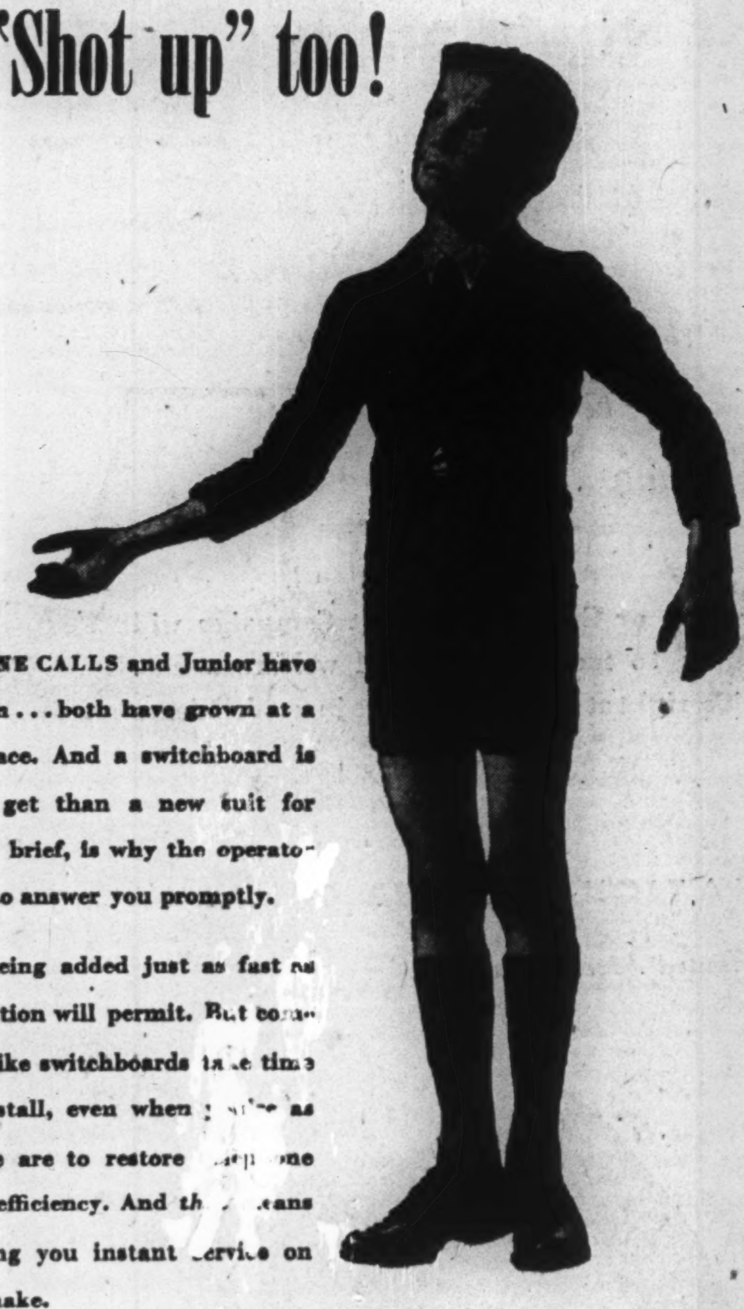
Operations have been at a high level during recent years. Capitalization is $625,000 in shares of $100 par value. Full details of the company's financial position are not available, since there is no direct public investment in it.

Westminster Paper

Westminster Paper Co. manufactures wrapping papers, plain and printed papers, toilet papers, paper towels, serviettes and other specialty paper products, at New Westminster, B.C. Products are sold in Canada, New Zealand, Australia, South Africa, British West Indies, India and China. Sales in the United States are made through the company's subsidiary Pacific Coast Paper Mills Inc., at Bellingham, Washington.

Total sales for the fiscal year ended Jan. 31, 1946, were $1,562,947. After deducting operating and administrative expenses, including provision for depreciation and income taxes, a net profit of $108,583 was carried forward to earned surplus. Earnings per share were $1.13, ($1.02 the previous year).

The company has launched a $1,250,000 expansion program, to double capacity by another paper machine. Working capital position is down considerably at $334,375, ($831,087 a year before), reflecting sizeable expenses in capital assets.



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Rolls of paper ready for shipment. Canadian mills are turning out more of them every day than ever before, but so far there is still no indication of the tremendous world demand for paper being sated as export orders continue to pour in.

Newfoundland Paper Output Near Capacity

Manufactured products rank second in value among Newfoundland's exports, with newsprint and pulpwood comprising by far the largest proportion. In 1943-44 exports of newsprint totalled $11,047,719, but with easing of shipping facilities exports in 1944-45 jumped to $12,642,913. The lion's share of the 1944-45 newsprint exports went to the United Kingdom which took $5,125,688. Next in line is the United States with $4,486,741 followed by Mexico, Argentina and Australia.

All workable pulpwood limits in Newfoundland are held by two paper companies—Anglo-Newfoundland Development Co. and Bowater's Nfld. Pulp and Paper Mills. Logging areas held by the two companies total about 18,442 square miles on which are stands of spruce, balsam, fir, black spruce, and smaller quantities of juniper and pine.

Estimated total 1945 production of Newfoundland's pulp and paper industry is:

	Short Tons
Newsprint	**337,600**
Groundwood	**20,995**
Sulphite Pulp	**37,008**

Until this year Newfoundland's pulp and paper industry suffered from a shortage of ships and labor during most of the war years. Last year's cut of wood was insufficient to keep the mills running at full capacity. Now, however, with most Newfoundlanders out of uniform and an easing of shipping restrictions the Island's second most important industry is approaching capacity production.

War also had an effect on the destination of Newfoundland's pulp and paper exports. Before 1939 a large part of Newfoundland's newsprint output went to the United Kingdom and other overseas countries. Since that time, however, more of the country's output has been diverted to the United States, Central and South America.

Both companies operate their own transportation systems, with Anglo-Newfoundland operating a railway from Grand Falls to Botwood—the shipping port — a distance of 22 miles with connection at Bishop's Falls with the Newfoundland Railway system. Bowater's have constructed 110 miles of road, all but 8½ miles suitable for trucks to 5-ton loading. Over these roads heavy Diesel trucks and trailers haul 50 tons of wood at a load. These trucks are fabricated in British Columbia and more are being added as they become available.

Two of Newfoundland's most thriving towns owe their existence to the pulp and paper industry. Grand Falls on the north side of the Island about half way between the east and west coasts is the centre of Anglo-Newfoundland's operations. Corner Brook on the west coast is the location of Bowater's. The combined population of these towns is approximately 15,000 persons, most of whom are engaged in some phase of the pulp and paper industry.

Total payroll disbursements for both companies for 1945 are estimated at $12,850,000 and the average number of employees at 8,500. Both companies have continued to invest money for improvement to their town sites and for the general social betterment of the people of Corner Brook and Grand Falls.

Anglo-Nfld.

Anglo - Newfoundland Development Co. operates a newsprint mill at Grand Falls, Nfld., and owns the entire capital stock of Anglo-Newfoundland Steamship Co. and 98% of the issued shares of Terra Nova Properties, which holds mineral rights over an area of 2,230 sq. miles and operates jointly with American Smelting and Refining Co. a subsidiary known as Buchans Mining Co. having a daily capacity of 1,200 tons of lead and zinc.

Operations of Anglo-Newfoundland Development Co. Mills at Grand Falls and Bishop's Falls were maintained at capacity for the first ten months of last year. At that point, however, due to an adverse pulpwood position, it became necessary to slightly curtail operations. Such curtailment continued through the early months of 1946, but it is hoped that the company will again be able to return to full capacity before the end of the year. During last year, the Anglo-Newfoundland Development Co. produced for export newsprint paper in rolls, dry baled groundwood, and wrappers of various qualities. The products were shipped to U. K., the United States and some to Australia.

Experiments were continued on the laminating machines installed toward the end of 1944. Several hundred tons of boards of various qualities used in the manufacture of cardboard boxes have been exported and experiments are still continuing.

Imports and exports through Botwood, the company's shipping port, increased approximately 390,000 long tons in 1944 to 412,000 long tons in 1945. Tonnage handled during the winter through St. John's also showed a substantial increase from 28,400 long tons in 1944 to 35,000 long tons in 1945.

Exports in 1945 consisted of: paper, 105,200 long tons; pulp, 30,600 long tons; Buchans concentrates, 160,100 long tons and general 50 long tons. In addition, 35,200 long tons of paper and 60 long tons of pulp were exported through the port of St. John's.

Wages paid out by the company during the year 1945 amounted to approximately $6,250,000 compared to $5,173,000 in 1944.

Bowater's Nfld.

Bowater's Newfoundland Pulp & Paper Mills own and operate a newsprint plant, sulphite plant, barking plant and power developments near Corner Brook, Nfld. The newsprint is sold in part to Bowater Paper Co. Inc., a wholly owned subsidiary of Bowater's Paper Mills.

Newsprint mills at Corner Brook operated at capacity during practically all 1945. Tonnage produced, however, was slightly lower than would ordinarily be the case at full capacity, since about 25% of the paper mill capacity was on lightweight paper (30.75 lb. instead of the standard 32 lb.). This lighter weight has been specified under paper controller's regulations, to save shipping space on U. K. orders, but production for North America remains at the 32 lb. weight.

Output of sulphite pulp was still on a curtailed basis in 1945, with the sulphite mill starting up in April and closing again in Oct. This short-term operation was due mainly to shortages of wood pulp, caused by labor shortage in the woods. Export of this type of pulp is expected to show improvement this year, providing pulpwood comes up to expectations. Plans for 1946 call for increased capacity of the export sulphite mill from 40,000 to 55,000 tons a year.

Net profit for the nine months in 1945 increased substantially to $1,028,132 from $711,509 for 1944.

Bowater's are speeding up their existing newsprint machines so that effective capacity of their mills will be increased by 12,000 to 15,000 tons yearly, The Financial Post is informed.

This is in addition to their recent announcement to increase capacity 75,000 tons per annum through installation of four roll-newsprint machines at a capital cost of $7 millions.

When these developments are completed, Bowater's Mills at Corner Brook will rate as one of the largest producing units in the world, with a total annual saleable production of pulp and paper in excess of 355,000 tons. The expansion program will provide regular employment for 1,000 additional men in the woods and the mills. It is expected that the new machines will be in operation by 1948.

The company was formed early in 1927 to acquire the Corner Brook properties from Newfoundland Power and Paper Co. In June, 1938, arrangements were completed for the sale of the entire common stock outstanding 700,000 shares to Bowater Lloyd Newfoundland, a wholly owned subsidiary of Bowater's Paper Mills, London, England, for a reported price of $5½ millions. The transfer of the equity was made retroactive to Jan. 1, 1938, and subsequently an additional 100,000 shares were issued and sold to Bowater Lloyd Newfoundland at par. In Aug., 1938, the name of the company was changed from International Power & Paper of Newfoundland, to its present title and in 1942 the entire preferred shares of the old company were acquired by Bowater's Paper Mills.

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